

OVERSTRAND MUNICIPALITY



BUDGET

BEGROTING

uHLAHLO LWABIWO MALI

2015/2016



MAYORAL SPEECH ON THE BUDGET AT THE COUNCIL MEETING ON 28 MAY 2015

Mr Speaker
Deputy Executive Mayor
Mayoral Committee Member for Finance
Councillors
The Municipal Manager
Officials
Ladies and gentlemen

I herewith with a great sense of pride and thankfulness present the 2015/16 budget for the Overstrand Municipality to Council for consideration and approval.

The preparation of the 2015/16 budget was informed by the 3rd review of our 5 year Integrated Development Plan, which sets the strategic direction of Council. In the draft 2015/16 IDP review our Vision, Mission and 5 Strategic goals remain unchanged. To refresh your minds I will repeat the Municipality's 5 strategic goals as contained in the draft IDP review:

1. The provision of democratic, accountable and ethical governance
2. The provision and maintenance of municipal services
3. The encouragement of structured community participation in the matters of the municipality
4. The creation and maintenance of a safe and healthy environment
5. The promotion of tourism, economic and social development.

The Municipality involves all citizens in the process of ensuring a people-led government. Encouragement of structured community participation in the matters of the Municipality is a strategic objective. The input received from our ward committees, which we regard as the official channel for community consultation, the voices of our residents and other stakeholders were taken into consideration. This process started in August last year.

Before I discuss the final outcome of the budget process, I will briefly reflect on the broader economic factors that informed the Budget for 2015/16 -

We are still in a difficult economic climate, with indications that the year ahead will not bring about any improvement. We are also painfully aware that our pensioners and people whose only form of income is the interest on their life savings, cannot afford sharp increases of municipal rates and tariffs.

The affordability of tariff increases are thus of utmost importance to the municipality and the level of services versus the associated cost is a constant consideration.

Our consumers will again this year be negatively affected by the excessive electricity increase approved for Eskom, which will have a huge negative impact on the electricity tariffs of the Municipality, including the reality that load shedding will be part of our lives for the foreseeable future.

At the beginning of the budget process, political guidance was given to the administration that increases in tariffs should be limited to 6% and the increase in property rates should not increase by more than 7%. This excludes electricity where NERSA had given Eskom the right to increase their rates in excess of inflation.



The 6 kℓ free water per 30-day period has since 2014 only been given to residents who are registered for the indigent grant. National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective. The second level of phasing in the increase in the 0 – 6 kℓ category to recover the cost of the production of water was postponed in 2014/15. This has now been implemented, representing an 11.5% increase applicable to the consumption of water between 0 – 6 kℓ per month.

The guideline given for sundry fees, for example building plan approval, will be limited to a 10% increase.

An Independent Financial Assessment of the Overstrand Municipality was prepared for us by the INCA Portfolio Managers.

This included an assessment of the Integrated Development Plan and sector master plans of the municipality. This was done with the purpose of identifying material matters that could impact on the long term financial sustainability of the municipality as well as to inform proposals regarding future policy directions.

It was recommended that the municipality, amongst others –

- avoid excessive overtime and standby time costs by filling critical vacancies;
- optimise the use of internal capacity and external service providers, and;
- explore more sharing of services with other municipalities.

We went out of our way to eliminate non-core spending and we have paid special attention to cost-containing measures. Suffice to say that apart from the administration being called upon to ensure that costs are contained in every possible way, we also need to put in place measures to generate a more substantial surplus from our operating budget.

- As part of the Municipality's cost re-prioritisation and cash management strategy, vacancies have been significantly rationalised downwards. A total of twenty three posts were abolished from the organisational structure.
- The Protection Services directorate has been restructured whereby a shift system has been introduced resulting in substantial savings on overtime and standby allowances.
- From my side, I only appointed one Mayco Member following the retirement of two Mayco members last year. This is in addition to the vacancy that already existed on my Mayco.
- All remuneration increases have been budgeted for at 6,1%, pending the outcome of salary negotiations and determinations.

Budget appropriations for asset renewal as part of the capital programme and operational repairs and maintenance of existing asset infrastructure remain a challenge.

We are mindful of the fact that repairs and maintenance of municipal assets are required to ensure the continued provision of services and this has been taken into account during the drafting process of the budget.

On the positive side, I can confirm that -

- All facilities and requirements related to the operating of the Municipal Court are in place, including the proclamation required for the court to become fully operational;



- The Karwyderskraal Landfill Site was officially opened on the 2nd of April 2015;
- The municipality has approved participation in a shared service appointment of a Risk Manager, where this appointment will benefit all municipalities in the Overberg District;
- Rebates in terms of the Property Rates Policy have been increased;
- Parking fees at Overstrand beaches have been abolished;
- Cemetery fees have not been increased in the 2015/16 budget;
- The tariffs for Building Line Departures have also not been increased.

The publishing of the regulation on the **Standard Chart of Accounts (SCOA)** on 22nd of April 2014 will have a profound effect on the business of local government. This reform is not limited to a financial reform, but a business reform as a whole. It is the largest reform since the promulgation of the Municipal Finance Management Act in 2003.

Overstrand municipality was identified as one of the national pilot sites for the early implementation of SCOA and the Bytes financial system. This budget has been compiled according to the SCOA classification framework.

Total operating revenue has grown by 10,5% to R895m for the 2015/16 financial year when compared to the 2014/2015 Adjustment Budget. For the two outer years, operational revenue will increase by 8,7 and 5,7% respectively. The higher increase for 2015/16 is informed by increased grant funding, which includes an additional equitable share of R12,5m and housing top structures amounting to R17m.

Total operating expenditure for the 2015/16 financial year has been appropriated at R964,5m and translates into a budgeted deficit of R69,5m. When compared to the 2014/2015 Adjustments Budget, operating expenditure has grown by 3,3% in the 2015/16 budget and by 7,6 and 5,9 per cent for each of the respective outer years of the MTREF. The increase of 3,3% for 2015/16 is notwithstanding an additional R17m expenditure for housing top structures.

The negative difference between income and expenses of R69,5 million is represented by non-cash items, one of the biggest items being depreciation. After other cash flows such as the redemption of external loans, we will be left with a cash surplus of R8,1 million.

The capital budget of R103,9m for 2015/16 is 15,4% less when compared to the 2014/2015 Adjustment Budget. The reduction is due to the available resources to fund the capital budget.

The capital programme decreases to R94,6m in 2015/16 and amounts to R103,6m in the respective outer years. An estimated R100m is required annually to sustain capital infrastructure.

So what are we achieving with this budget?

- We have managed to limit the overall impact of the tariff increases on household bills below 6,3% and the increase for indigent households to 2,6%. *This excludes the impact of electricity tariff increases.*
- We have budgeted for a small surplus on the operational budget to provide funds from our own resources for capital expenditure during 2017/18 financial year.
- We will continue essential maintenance of our infrastructure.
- We will continue to focus on increasing productivity.
- We will continue to lobby National and Provincial Government to increase our equitable share and to eliminate unfunded mandates.



- We will also continue to lobby the Department of Human Settlements to increase our MIG grant for affordable housing to ensure that this does not put an additional financial burden on the Municipality.

The draft budget was assessed by a technical committee from the Western Cape Provincial Government who found the budget proposals to be credible and sustainable.

In conclusion:

Overstrand Municipality takes pride in achieving Clean Audit status for two consecutive years, and in being judged as the most productive local municipality in South Africa by the Municipal IQ during December 2014, as well as coming first in the Back-to-Basics Programme.

I want to conclude by thanking the community of the Overstrand and all role-players for their support and participation in the IDP review and Budget processes to ensure accountability and good governance to all the people of Overstrand.

I want to thank Cnr Dudley Coetzee, Chairperson of Finance, the Municipal Manager and all the Directors for their commitment, dedication and support during the budget process, all councillors for studying the documents and their input via the ward committees. With all the assistance, Mr Speaker, I have pleasure in proposing the adoption of the 2015/16 Budget.

ALD NICOLETTE BOTHA-GUTHRIE
EXECUTIVE MAYOR: OVERSTRAND
28 May 2015





ORDINARY MEETING OF THE COUNCIL
GEWONE VERGADERING VAN DIE RAAD
INTLANGANISO YESIQHELO YEBHUNGA

MINUTES / NOTULE /

IMIZUZU

DATE / DATUM / UMHLA : 28 MAY / MEI / MEYI 2015
VENUE / PLEK / INDAWO : BANQUETING HALL,
BANKETSAAL,
CIVIC CENTRE / BURGERSENTRUM / IZIKO LOLUNTU
HERMANUS
TIME / TYD / IXESHA: 11:00



OVERSTRAND

MUNICIPALITY / MUNISIPALITEIT / U-MASIPALA

MINUTES OF THE COUNCIL MEETING
HELD IN THE BANQUETING HALL, CIVIC CENTRE,
HERMANUS, ON 28 MAY 2015, AT 11:00

PRESENT/ TEENWOORDIG

Councillors were present as per attached attendance register.

OFFICIALS PRESENT/

AMPTENARE TEENWOORDIG


























Mr C Groenewald, Municipal Manager
Ms S Reyneke-Naudé, Director : Finance
Mr S Müller, Director : Infrastructure & Planning
Ms D Arrison, Director : Management Services
Mr N Michaels : Director : Protection Services
Mr R Williams, Director : Community Services
Mr H Blignaut, Deputy Director : Engineering Services
Mr C le Roux, Deputy Director: Finance
Ms H van der Stoep, Senior Town Planner
Mr F Myburgh, Senior Manager : Gansbaai Administration
Ms R Louw, Senior Manager: Strategic Services
Mr B King, Senior Manager : Financial Services
Ms E Hooneberg, Senior Manager : Income
Mr F Frans, Manager: Housing Administration
Mr G Smit, Manager : Social Development
Mr J van Taak, Manager: Solid Waste
Ms N Zweni, Communications Officer
Ms H van Tonder, Manager: Council Support Services
Mr L Tait, Accountant : Capital Budget
Ms V Allen, Manager : Financial Accounting
Ms E Sales, PA : Director : Infrastructure & Planning
Ms R Pretorius, PA : Municipal Manager
Mr P Roux, Town Planner
Ms S Swart, Administrative Officer : Council Support Services
Ms G Erasmus, Clerk : Auditorium & Administration
Interns

MINUTES/....



OVERSTRAND MUNICIPALITY
ATTENDANCE REGISTER

COUNCIL MEETING
28 MAY 2015

ALDERMAN/COUNCILLORS	SIGNATURE
ANDREWS, M	
APPELGREIN, P	
BEYERS-CRONJE, L	
BOTHA, D	
BOTHA-GUTHRIE, N	
BRICE, K	
COETSEE, A	
COETZEE, DP	
DE CONING, R	
DYANI, M	
GXAMESI, S	
JANUARIE, JJS	
NQINATA, NNT	
KRIGE, L	
MACOTHA, VC	
MANDINDI, CQ	
MAY, P	
NELL, E	
NDEVU, L	
OPPERMAN, M	
PIE, MT	
PONOANE, MV	
PRINS, A	
SAPEPA, NM	
SMITH, RJ	



1. **OPENING**

The Municipal Manager, Mr C Groenewald, read the notice convening the meeting.

2. **APPLICATIONS FOR LEAVE OF ABSENCE**

Cllr J J Januarie

RESOLVED

that the above-mentioned application for leave of absence, **be granted.**



5. CONSIDERATION OF RECOMMENDATIONS MADE BY THE EXECUTIVE MAYOR TO COUNCIL, IN TERMS OF SECTION 160(2) OF THE CONSTITUTION, 1996, AND SECTION 59(1)(a) OF THE LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT 2000 (ACT 32 OF 2000)

5.5

FINAL INTEGRATED DEVELOPMENT PLAN (IDP) REVIEW 2015/16

(ITEM 7, PAGE : MAYORAL COMMITTEE MEETING : 28 MAY 2015)

RESOLVED (UNANIMOUSLY):

that the final reviewed Integrated Development Plan (IDP) for 2015/16, be approved

RESPONSIBLE OFFICIAL :

R LOUW

TARGET DATE FOR IMPLEMENTATION :

1 JULY 2015



5.7

REVISION OF ALL BUDGET RELATED POLICIES OF THE OVERSTRAND MUNICIPALITY

(ITEM 9, PAGE 218 : MAYORAL COMMITTEE MEETING : 28 MAY 2015)

RESOLVED (UNANIMOUSLY):

that the revised policies be approved and implemented with effect from 1 July 2015.

RESPONSIBLE OFFICIAL :

S REYNEKE-NAUDE

TARGET DATE FOR IMPLEMENTATION :

1 JULY 2015



(ITEM 10, PAGE 465 : MAYORAL COMMITTEE MEETING : 28 MAY 2015)

THE SPEAKER REQUESTED THAT IT BE MINUTED THAT HE AFFORDED THE EXECUTIVE MAYOR TIME TO DELIVER HER BUDGET SPEECH IN ACCORDANCE WITH RULE 30

THE EXECUTIVE MAYOR DELIVERED HER BUDGET SPEECH, A COPY OF WHICH IS ATTACHED AS ANNEXURE A TO THE MINUTES

CLLR N SAPEPA RAISED HER DISSATISFACTION ON BEHALF OF THE ANC WITH REGARD TO THE MUNICIPALITY'S CLEAN AUDIT VERSUS SERVICE DELIVERY TO THE PREVIOUS DISADVANTAGED COMMUNITIES. SHE HANDED OVER PHOTOGRAPHS AND WORKS ORDERS TO THIS EFFECT. THE SPEAKER REQUESTED THAT THE MUNICIPAL MANAGER COMPILE A FULL REPORT IN THIS REGARD. THE EXECUTIVE MAYOR REQUESTED THAT THE DETAILED REPORT BE SUBMITTED TO HER OFFICE FOR FURTHER INVESTIGATION.

THE ANC REQUESTED THE MEETING TO ADJOURN FOR A CAUCUS AT 12:26

THE MEETING RESUMED AT 12:35

RESOLVED (UNANIMOUSLY):

1. that, in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003), the annual budget of the Municipality for the 2015/16 to 2017/2018 MTREF (Medium Term Revenue and Expenditure Framework) period **be approved** as set out in the following schedules:
 - Schedule 1:** Budgeted financial performance (revenue & expenditure by municipal vote)
 - Schedule 2:** Budgeted financial performance (revenue by source & expenditure by type)
 - Schedule 3:** Budgeted multi- and single year capital appropriations by standard classification (vote) and funding by source
 - Schedule 4:** Budgeted financial position
 - Schedule 5:** Budgeted cash flow
 - Schedule 6:** Cash backed reserves and acc. surplus reconciliation
 - Schedule 7:** Asset management
 - Schedule 8:** Basic service delivery measurement
2. that the property rates reflected in **Annexure A to the item, be imposed** for the budget year 2015/16;
3. that tariffs and charges reflected in **Annexure A to the item, be approved** for the budget year 2015/16;



4. that the Municipal Manager be authorised to sign all the necessary agreements and documents to give effect to the three year borrowing programme for external loans amounting to R30 million per annum;
5. that the following schedules be noted:
Schedule 9: Budgeted financial performance (revenue & expenditure by standard classification)
Schedule 10: Budgeted capital appropriations by municipal vote
6. that **cognisance be taken** of the letters of comment received from the community and the LG MTEC 3 Assessment Report by Provincial Treasury and the Provincial Department of Local Government, included in Annexures I and J respectively of the budget report; and
7. that **cognisance be taken** of the 2015/2016 Budget Report.

RESPONSIBLE OFFICIAL :

BA KING

TARGET DATE FOR IMPLEMENTATION :

1 JULY 2015

ALD M PONOANE RAISED A MOTION ON A POINT OF ORDER WITH REGARD TO THE REACTION OF MEMBERS IN THE GALLERY AND/OR COUNCILLORS WHEN THE ANC REQUESTED A CAUCUS. THE SPEAKER MENTIONED THAT THE MOTION DID NOT PERTAIN TO THE BUDGET ITEM, BUT THAT HE WILL ALLOW IT AS A POINT OF ORDER IN TERMS OF RULE 19 OF THE STANDARD BY-LAW ON RULES OF ORDER FOR INTERNAL ARRANGEMENTS PERTAINING TO THE CONDUCT OF COUNCILLORS AND MEMBERS OF THE PUBLIC IN THIS COUNCIL CHAMBER. SPEAKER TOOK NOTE OF ALD M PONOANE'S POINT OF ORDER BUT MADE NO RULING THEREON, AS HE HAS DEALT WITH THE MATTER IMMEDIATELY WHEN THE REACTION HAPPENED IN THE CHAMBER.



7. URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER

None

8. CONSIDERATION OF NOTICES OF MOTIONS / QUESTIONS

None

9. CONSIDERATION OF MOTIONS OF EXIGENCY

None

The meeting adjourned at 12:50

DATE

THE SPEAKER – A COETSEE





**ORDINARY MEETING OF THE MAYORAL
COMMITTEE**

**GEWONE VERGADERING VAN DIE
BURGEMEESTERSKOMITEE**

**INTLANGANISO YESIQHELO YEKOMITI
KASODOLOPHU**

A G E N D A

I-AJENDA

DATE / DATUM / UMHLA : 28 MAY / MEI / MEYI 2015
VENUE / PLEK / INDAWO : BANQUETING HALL / BANKETSAAL
CIVIC CENTRE / BURGERSENTRUM /
IZIKO LOLUNTU
HERMANUS
TIME / TYD / IXESHA : 10:00



MUNICIPALITY / MUNISIPALITEIT / UMASIPALA WE-OVERSTRAND

Office of the Municipal
Manager
Municipal Offices
HERMANUS

22 May 2015

NOTICE TO ALL ALDERMEN AND COUNCILLORS

NOTICE IS HEREBY GIVEN that an ORDINARY MEETING of the MAYORAL COMMITTEE will be held in the Banqueting Hall, Civic Centre, HERMANUS, on THURSDAY, 28 MAY 2015 at 10:00 to consider the items set out on the attached agenda.

**C GROENEWALD
MUNICIPAL MANAGER**

22 Mei 2015

KENNISGEWING AAN ALLE RAADSHERE EN RAADSLEDE

KENNIS WORD HIERMEE GEGEE dat 'n GEWONE VERGADERING van die BURGEMEESTERSKOMITEE gehou sal word in die Banketsaal, Burgersentrum, HERMANUS, op DONDERDAG, 28 MEI 2015 om 10:00 vir oorweging van die items op die meegaande agenda.

**C GROENEWALD
MUNISIPALE BESTUURDER**

22 Mei 2015

ISAZISO ESIYA KUBO BONKE OOCEBAKHULU NOOCEBA

INTLANGANISO YESIQHELO YEKOMITI KASODOLOPHU WE-OVERSTRAND

OKU KUKWAZISA ukuba intlanganiso YESIQHELO yeKOMITI KASODOLOPHU, iza kuba se Banqueting Hall, kwiZiko, eHERMANUS ULWESINE UMHLA, 28 MEYI 2015 ngeye-10:00 ukuqwalasela imicimbi ekule ajenda iqhotyoshelwe apha.

**C GROENEWALD
UMPHATHI KAMASIPALA**

AGENDA/...



1. OPENING
2. APPLICATIONS FOR LEAVE OF ABSENCE



7.
FINAL INTEGRATED DEVELOPMENT PLAN (IDP) REVIEW 2015/16

2/12/1

R Louw

13 May 2015

(028) 313 8071

Corporate Head Office

1. Executive Summary

The purpose of this report is to table the final reviewed IDP for the 2015/16 financial year. This will be the 3rd reviewed document for the 2012/2017 IDP cycle.

2. Service Delivery and Budget Implementation Plan - IGNITE

Management Services
Strategic Services

3. Compliance with Strategic Priority

Provision of democratic, accountable and ethical governance

4. Delegated Authority

None

5. Legal Requirements

Section 34 of the Local Government: Municipal Systems Act, 2000 (32 of 2000) [Systems Act]

6. Background/Introduction/Discussion

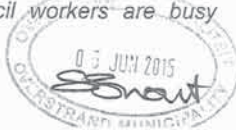
The draft reviewed IDP for 2015/16 which was tabled in Council on 25 March 2015 was advertised for public scrutiny and comment in the local newspapers. Attached are copies of the adverts which appeared in the Hermanus Times and Gansbaai Courant. (Annexure A).

The document was also placed on the municipal website and at the municipal libraries as from 2 April 2015 until 30 April 2015.

One (1) public comment was received as part of the budget comments by the closure date of 30 April 2015. The public comment from Ms Lina Steenkamp (ward 1) reads as follows:

"IDP (CAPITAL)

On the IDP nothing is mentioned for any tarring of roads for ward 1 especially in the Franskraal area, yet it was noted that Council workers are busy



installing sidewalk curbing. Although we fully understand that the IDP is already fixed for the next three years, we wish to list the tarring of roads in Franskraal as an urgent priority. The roads are deteriorating at an alarming rate. You are welcome to visit Nico road to see the condition of our roads. Since we cannot drive on curbing, immediate action should be taken to improve the quality of roads."

The tarring of roads in Masakhane/Franskraal (ward 1) is already included in the IDP project wish list in Chapter 12 of the Final IDP review 2015/16.

The Western Cape Provincial Government annually assesses the draft IDP's and Budgets of municipalities and feedback is given at the LG MTEC 3 engagement. During the Overstrand engagement on 28 April 2015, we received the following positive assessment: *"Overstrand Municipality's draft Reviewed 2015/16 IDP is a concise, responsive planning and performance reporting tool, which ably guides the Municipality towards achieving its strategic objectives."*

7. Financial Implications

Provision was made on the operating budget to cover the costs associated with compilation of the document. The document was compiled in-house by our own staff.

8. Staff Implications

Internal Staff

9. Comments from other Departments, Divisions and Administrations

Additional comments were received from Directorates to finalise the IDP review.

10. Annexures

Annexure A: Advertisements which appeared in the Hermanus Times and Gansbaai Courant.

Annexure B: Final IDP review for 2015/16 (Under separate file)

RECOMMENDATION TO THE COUNCIL:

that the final reviewed Integrated Development Plan (IDP) for 2015/16, be approved.

RESPONSIBLE OFFICIAL :

R LOUW

TARGET DATE FOR IMPLEMENTATION :

1 JULY 2015





Annexure A:
Hermanus Times 2/4/2015

1/4

OPPORTUNITY TO SUBMIT REPRESENTATIONS.

1. DRAFT REVIEWED INTEGRATED DEVELOPMENT PLAN (IDP) FOR 2015/16 AND RELATED DOCUMENTS
2. DRAFT INTEGRATED WASTE MANAGEMENT PLAN (IWMP) FOR 2015/16

NOTICE IS HEREBY GIVEN that the following documentation is available for comment:

- Draft reviewed Integrated Development Plan (IDP) in terms of section 34(a) of the Municipal Systems Act No 32 of 2000;
- Revision of the key performance indicators (KPI's) and targets for 2015/16 (Draft Service Delivery and Budget Implementation Plan (SDBIP));
- Draft Integrated Waste Management Plan (IWMP) for 2015/16 as a sectoral plan to the IDP in terms of the National Environmental Management Act: Waste Act 2002.

The local community is invited to submit representations in connection with the three documents to the Municipality by submitting such representations on or before 22 April 2015 to the Municipal Manager (PO: 04001444, R. Louw - Draft Reviewed IDP & Draft SDBIP and Mr. J van Tass - Draft IWMP) at the undermentioned address or fax number.

The Council will consider the First IDP review and First IWMP together with all the comments and representations received during a meeting which is scheduled to take place on 27 May 2015.

The three documents will be available for perusal during office hours at the offices of the Area Managers in Gansbaai, Stanford, Hermanus and Kleinmond, in all the public libraries in the Overstrand, the Corporate Head Office of the Municipality in Hermanus and on the municipality's website at www.overstrand.gov.za.

Persons who cannot write can visit the Area Managers in Gansbaai, Stanford, Hermanus and Kleinmond during office hours where such persons will be assisted to transcribe their comments or representations.

C GROENIEWALD
MUNICIPAL MANAGER

Overstrand Municipality
PO Box 20
HERMANUS
7200

Fax number: (023) 313 5030

Notice number: 42/2015





Annexure A:
Hermanus Times 2/4/2015

2/4

GELEENTHEID OM VERTOË TE RIG:

1. KONSEP HERSIENDE GEÏNTEGREERDE ONTWIKKELINGSPLAN (GOP) VIR 2015/16 EN VERWANTE DOKUMENTE
2. KONSEP GEÏNTEGREERDE VASTE AFVAL BESTUURSPLAN (GABP) VIR 2015/16

KENNIS GESKIED HIERMEE dat die volgende dokumente vir verlos beskikbaar is:

- Konsep Hersiende Geïntegreerde Ontwikkelingsplan (GOP) in terms van Artikel 34(9) van die Wet op Plaaslike Regering, Munisipale Stadsre, 30:00 (Wet 32 van 2000);
- Hersiening van die streeks prestasie indikatore en tekens vir 2015/16 (Konsep Doelwitte en Beoordelingskriteria-ontwikkelingsplan (DBP));
- Konsep Geïntegreerde Vaste Afval Bestuursplan (GABP) vir 2015/16 as 'n reksionale plan tot die GOP in terms van die Nasionale Wet op Omgewingsbestuur, Vaste Afval Wet 2008

Die plaaslike gemeenskap word uitgenooi om verlos met betrekking tot die drie dokumente aan die munisipaliteit voor te lê, te hoor, te verlos voor of op 30 April 2015 te rig aan die Munisipale Bestuurder (vir aandoing M&R, Lower-Konsep Hersiende GOP & Konsep DBP en M&R, J van Tassie-Reynier (GABP) by ooreenstemmende adres of foonnommer.

Die Raad sal die Finale Hersiende GOP en Finale GABP tydens 'n vergadering wat op 27 Mei, 2015 gehou staan te word laterend met alle kommentaar of verlos wat betrekking is, oorweeg.

Die drie dokumente is gedurende kantoorure ter inspe by die kantore van die Afsaatsbestuurders in Gansbaai, Stanford, Hermanus en Kleinmond, in alle openbare biblioteke in die Overstrand, die Korporatiewe Hoofkantoor van die munisipaliteit in Hermanus en op die munisipale webwerf by www.overstrand.gov.za.

Persone wat nie kan skryf nie kan gedurende kantoorure by die onderskeie Afsaatsbestuurders in Gansbaai, Stanford, Hermanus of Kleinmond besoek afk waar daande persone pshels sal word om hul kommentaar of verlos op goif te rig.

C GROENEWALD
MUNISIPALE BESTUURDER

Oordraand Munisipaliteit
Posbus 20
HERMANUS
7200

Foonnommer: 028 313

Kenningsgewingsnommer: 4/2015





Annexure A:
Hermanus Times 2/4/2015

3/4

ITHUBA LOKUYAKALISA IZIMVO:

1. ISICWANGCISO SOPHULISO OLUDIBENEYO ESIGULUNQWAYO ESIHLAZIYIWEYO SOWAMA-2015/16 NAMAXWESHU ANXULUMENE NOKO
2. ISICWANGCISO ESIGULUNQWAYO SOLAWULO LWEKUMKUMA SOWAMA-2015/16

ESI SISAZISO sikuba lenamvethu nendlela ayafumaneka ukuba abantu bayafakise izimvo zabo ngawo:

- Isicwangciso esigulunqwayo sophuliso oludibeneyo (IDP) ngokwaziwe lama-34th lokuhlala e-Overstrand eMafikapa uNobelo 22 wamama-2000;
- Ukuhlaziywa kwesibini esophambili zokusebenza (KPIs) paziso elujolile kuzo xwama-2015/16 (Isicwangciso esigulunqwayo sokuhlaziywa kweendlela nokusebenza kweshayeli (SOBIP);
- Isicwangciso esigulunqwayo solawulo lezandima sowa-2015/16 elengiswanga uNobelo kweendlela kwi-IDP ngokwaziwe naZwelonke weSawulo olungqongileyo UMhelo weMkumama wama-2000

Phantsi ngombono olubonisa izimvo zabo kwi-IDP ngokwaziwe lama-34th lokuhlala e-Overstrand eMafikapa uNobelo 22 wamama-2000 kwi-IDP ngokwaziwe lama-34th lokuhlala e-Overstrand eMafikapa uNobelo 22 wamama-2000 kwi-IDP ngokwaziwe lama-34th lokuhlala e-Overstrand eMafikapa uNobelo 22 wamama-2000

IBhunga liza liliyonga uhlayo kungqongileyo kwi-IDP ngokwaziwe lama-34th lokuhlala e-Overstrand eMafikapa uNobelo 22 wamama-2000 kwi-IDP ngokwaziwe lama-34th lokuhlala e-Overstrand eMafikapa uNobelo 22 wamama-2000

La maxwabi mabathu aza kufuneka ngezaba bayibe zokusebenza kwi-IDP ngokwaziwe lama-34th lokuhlala e-Overstrand eMafikapa uNobelo 22 wamama-2000 kwi-IDP ngokwaziwe lama-34th lokuhlala e-Overstrand eMafikapa uNobelo 22 wamama-2000

Abantu abangakwaziyo ukuchula oongamekwenzela aza Phantsi ngombono olubonisa izimvo zabo kwi-IDP ngokwaziwe lama-34th lokuhlala e-Overstrand eMafikapa uNobelo 22 wamama-2000 kwi-IDP ngokwaziwe lama-34th lokuhlala e-Overstrand eMafikapa uNobelo 22 wamama-2000

C GROENEWALD
UMPHATHI KAMASIPALA

Umsipala we-Overstrand
PO Box 20
Hermanus
7200

Iimemo yezaziso: 45/2015

imibalo ye fax: (028) 313 8920





9.
**REVISION OF ALL BUDGET RELATED POLICIES OF THE OVERSTRAND
MUNICIPALITY**

5/B

S Reyneke-Naude
28 May 2015

(028) 313 8040

Director : Finance

1. Executive Summary

The purpose of the report is to present council with the amended budget related policies for approval and implementation with effect from 1 July 2015.

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate : Finance
Department : Finance

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
Provision and maintenance of municipal services

4. Delegated Authority

None

5. Legal Requirements

Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA)
Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

6. Background/Discussion/Evaluation/Conclusion

To conform to the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), the revised budget related policies of the Municipality must accompany the annual budget.

The draft revised budget related policies were tabled with the draft budget for 2015/2016 and were available to members of the public as well as council officials to comment on. All comments received were considered and addressed. The draft policies are herewith presented for approval and implementation.

6.1 Policy changes



6.1.1 INDIGENT POLICY

Change:	
	Indigent households with a property value less than R220 000.00 and electricity less than 500kWh (no income restriction) :
5 C (v)	Must be a South African citizen; and
	Indigent households with a property value greater than R220 000.00 and electricity less than 500kWh (income not exceeding the sum of four times the amount of the state funded social pension) :
5 D (v)	Must be a South African citizen;

6.1.2 SUPPLY CHAIN POLICY MANAGEMENT POLICY

Change:	
	Bid Evaluation Committees
28	<p>2) A Bid Evaluation Committee must be composed of:-</p> <ul style="list-style-type: none"> a) a delegated supply chain management practitioner as chairperson; and b) the budget holder from the Directorate for whom the bid is called; c) the Accounting Officer must appoint the chairperson of the committee.

7. Financial Implications

N/A

8. Staff Implications

N/A



9. Comments from other Departments, Divisions and Administrations

None

10. Annexures

Annexure A: Property Rates Policy
Annexure B: Tariff Policy
Annexure C: Customer Care, Credit Control and Debt Collection Policy
Annexure D: Indigent Policy
Annexure E: Asset Management Policy
Annexure F: Travel and Subsistence Policy
Annexure G: Petty Cash Policy
Annexure H: Payday Policy
Annexure I: Supply Chain Policy Management Policy
Annexure J: Contract Management Policy
Annexure K: Investment and Cash Management Policy
Annexure L: Budget Policy
Annexure M: Virement Policy
Annexure N: Borrowing Policy
Annexure O: Funding and Reserves Policy
Annexure P: Long Term Financial Planning and Implementation Policy

RECOMMENDATION TO THE COUNCIL:

that the revised policies be approved and implemented with effect from 1 July 2015.

RESPONSIBLE OFFICIAL :

S REYNEKE-NAUDE

TARGET DATE FOR IMPLEMENTATION :

1 JULY 2015



10.
FINAL BUDGET FOR OVERSTRAND MUNICIPALITY : 2015/2016

5/1/17-2015/2016

BA King

22 May 2015

(028) 313 8154

Corporate Head Office

1. Executive Summary

This report presents the proposed budget of Overstrand Municipality for the 2015/2016 to 2017/2018 MTREF (Medium Term Revenue and Expenditure Framework) period.

The comprehensive budget report is presented as Annexure C to this report.

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate: Finance
Department: Financial Services

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
Provision and maintenance of municipal services
Creation and maintenance of a safe and healthy environment
The encouragement of structured community participation in the matters of the municipality
Promotion of tourism, economic and social development

4. Delegated Authority

None

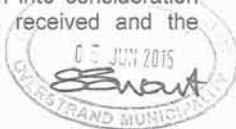
5. Legal Requirements

Local Government: Municipal Financial Management Act, 2003 (Act 56 of 2003) (MFMA)
Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

6. Background/Discussion/Evaluation/Conclusion

Council noted the draft budget for 2015/16 as tabled on 25 March 2015. The budget was then presented to the community and other spheres of government for comments, as required by legislation.

Comments received from the community arising from the statutory IDP/Budget public consultation process have been taken into consideration for purposes of preparing this report. The comments received and the



municipality's responses are listed in Annexure B to this report. Letters of comment are included in Annexure I of the budget report.

The LG MTEC 3 engagement with the Provincial Treasury and Provincial Department of Local Government was held on 28 April 2015. The assessment report is included as Annexure J of the budget report.

Proposed amendments to the 2015/16 draft budget are summarised in paragraph 6.3 of this report and details of amendments are included in Annexure A of the budget report.

6.1 2015/16 Budget

1. Overview

National Treasury issued the following circulars regarding the budget for 2015/16, budget formats and budget content:

- MFMA Circulars No. 74 & 75: 2015/16 MTREF dated 12 December 2014 and 9 March 2015 respectively.
- MFMA Circular No. 71: Uniform Financial Ratios and Norms dated 17 January 2014.
- MFMA Budget Guide – Version 1: March 2011

The guidelines, as set out in these budget circulars, were taken into consideration during the compilation process of the budget.

Schedules 1 – 8, attached to this report, are submitted for budget approval and schedules 9 & 10 are submitted for noting by Council. Other tables, charts and supporting schedules are included in the budget report.

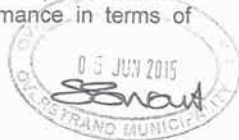
The Service Delivery and Budget Implementation Plan (SDBIP) will be submitted to the Executive Mayor for approval no later than 28 days after the approval of the budget.

Accounting Standards

New and revised accounting standards were incorporated in the preparation of the budget.

6.2 Executive Summary of the 2015/16 Budget Proposals

1. 2015/16 Revenue Budget: The proposed revenue budget for 2015/16 is R959 388 802. This includes amounts of R63 353 604 for capital grants and R1 000 000 for Public Contributions. The budgeted financial performance by vote (directorates) is reflected in Schedule 1 and the budgeted financial performance in terms of revenue by source is reflected in Schedule 2.



2. 2015/16 Operating Expenditure Budget: The proposed operating expenditure budget for 2015/16 is R964 529 285. This includes depreciation and provision for post-retirement benefits amounting to R117 939 548 (non-cash items), of which the major portion for depreciation relates to unbundled assets with the implementation of GRAP, resulting in the expenditure exceeding revenue. The budgeted financial performance by vote (directorates) is reflected in Schedule 1 and the budgeted financial performance relating to expenditure by type is reflected in Schedule 2.
3. 2015/16 Capital Budget: The total proposed final capital budget for 2015/16 is R103 914 091. Capital budget votes and the funding thereof are reflected in Schedule 3 of this report and a list of capital projects, ward specific projects and housing projects (opex and capex) is included in Annexure E of the budget report.
4. Proposed increases to property rates, tariff and user charges:

The proposed property rates, tariffs and user charges for 2015/16 are included as Annexure A of this report. Examples of increases in the tariff baskets relating to a variety of consumers are included in Annexure D of the budget report.

The proposed increases for an average household for the coming financial year (2015/16) are as follows:

Table 1 : Average tariff increases

	2015/16	2014/15
Property rates: Residential	6,85%	15%
Electricity	11,07%	7,8%
Water	6,35%	6%
Sewerage tariffs	6%	6%
Refuse tariffs	6%	6%

The property rates for business, Farming/Agriculture and undeveloped erven are set to increase by 6,85%.

Further details of the 2015/16 budget proposals can be found in the Budget Report.

6.3. Proposed amendments to the 2015/16 draft budget

1. 2015/16 Revenue & Expenditure Budget: The following changes are proposed:



Table 2 : Revenue

<u>REVENUE AMENDMENTS AFFECTING THE BOTTOM LINE FOR 2015/2018</u>			
<u>Item</u>	<u>2015/2016</u>	<u>2016/2017</u>	<u>2017/2018</u>
DRAFT BUDGET	958 526 402	1 034 248 966	1 102 130 455
Beaches parking fees scrapped	(110 000)	(121 000)	(133 100)
Cemetery fees not increased	(19 600)	(21 160)	(17 220)
Application for Building Line			
Departure tariff not increased	(8 000)	(8 700)	(9 500)
Lottery funds rolled over	1 000 000		
FINAL BUDGET	959 388 802	1 034 098 106	1 101 970 635

Table 3 : Expenditure

<u>OPERATIONAL EXPENDITURE AMENDMENTS AFFECTING THE BOTTOM LINE FOR 2015/2018</u>			
<u>Item</u>	<u>2015/2016</u>	<u>2016/2017</u>	<u>2017/2018</u>
DRAFT BUDGET	977 507 635	1 037 493 157	1 098 292 121
Ward 3 WSP: Transfer from			
Capex to Opex	60 000		
Library Grant: Transfer from			
Capex to Opex	46 000		
Housing Grant: Transfer from			
Opex to Capex	(13 084 350)		
FINAL BUDGET	964 529 285	1 037 493 157	1 098 292 121

2. 2015/16 Capital Budget: The following changes are proposed:

Table 4 : Capital Expenditure

<u>CAPITAL BUDGET AMENDMENTS 2015/18</u>			
	<u>2015/2016</u>	<u>2016/2017</u>	<u>2017/2018</u>
DRAFT BUDGET	85 515 254	94 605 877	103 561 240
Ward 3 WSP: Transfer to Opex from			
Capex	(60 000)		
Library Grant: Transfer to Opex from			
Capex	(46 000)		
Housing Grant: Transfer from Opex			
to Capex	13 084 350		
Projects rolled over from 2014/15 to			
2015/16	5 420 487		
FINAL BUDGET	103 914 091	94 605 877	103 561 240



Further details and comments relating to the proposed changes can be found in Annexure A of the budget report.

3. Tariffs

The following amendments and improvements are proposed:

1.	Tariff Codes: S15A1 – S15A5	Cemetery Fees: Plot Cost <ul style="list-style-type: none"> No increase
2.	Tariff Codes: S32A – S32E	Parking Fee Beaches: Grotto & Kleinmond <ul style="list-style-type: none"> Scrap Tariff Codes S32A – S32E
3.	Tariff Codes: S72K2A & S72K2B	Application for Departure (Building Lines) <ul style="list-style-type: none"> No increase
4.	Refuse	SA2A2A: Change and correction of wording <ul style="list-style-type: none"> Reference to SA2B1-SASB11 should be SA2B-SA2B11 SAN3A : Change in wording <ul style="list-style-type: none"> "Load weigh per ton or part of", should be "As per tariff SA2B - SA2B11 per weighed load"

7. Financial Implications

This report addresses the final proposals for the 2015/16 MTREF for the operational and capital budgets, financial position and cash flows. The key financial implications and challenges of adopting these proposals are the ability to generate revenue in the current economic climate and the continued delivery of sustainable services.

8. Staff Implications

No amendments were made to the draft salary budget.

9. Comments from other Departments, Divisions and Administrations

The Budget Report is included as Annexure C. The report serves as a comprehensive overview of the final budget. The compilation of the budget for 2015/16 adheres to the focus areas and strategic objectives of Council, as set out in the revised IDP. The draft budget was the result of several Budget Steering Committee, Senior Management, Ward Committee and OMAF meetings. The draft budget was presented to the community and organs of state for comment. Public participation meetings were held for all wards within the municipal area. Comments received were taken into



consideration for the final budget (Schedule of comments and the municipality's responses are included as Annexure B and letters of comment are included in Annexure I of the budget report).

10. Annexures

- Schedule 1: Budgeted financial performance (revenue and expenditure by municipal vote)
- Schedule 2: Budgeted financial performance (revenue by source & expenditure by type)
- Schedule 3: Budgeted multi- and single year capital appropriations by standard classification (vote) and funding by source
- Schedule 4: Budgeted financial position
- Schedule 5: Budgeted cash flow
- Schedule 6: Cash backed reserves and accumulated surplus reconciliation
- Schedule 7: Asset management
- Schedule 8: Basic service delivery measurement
- Schedule 9: Budgeted financial performance (revenue & expenditure by standard classification)
- Schedule 10: Budgeted capital appropriations by municipal vote

- Annexure A: List of Rates, Tariffs, Tariff Structures and Charges
- Annexure B: Schedule of comments and responses
- Annexure C: Budget Report 2015/2016 (**Under separate file**)

RECOMMENDATION TO THE COUNCIL:

1. that, in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003), the annual budget of the Municipality for the 2015/16 to 2017/2018 MTREF (Medium Term Revenue and Expenditure Framework) period **be approved** as set out in the following schedules:

- Schedule 1:** Budgeted financial performance (revenue & expenditure by municipal vote)
- Schedule 2:** Budgeted financial performance (revenue by source & expenditure by type)
- Schedule 3:** Budgeted multi- and single year capital appropriations by standard classification (vote) and funding by source
- Schedule 4:** Budgeted financial position
- Schedule 5:** Budgeted cash flow
- Schedule 6:** Cash backed reserves and acc. surplus reconciliation
- Schedule 7:** Asset management
- Schedule 8:** Basic service delivery measurement

2. that the property rates reflected in **Annexure A**, be imposed for the budget year 2015/16;



3. that tariffs and charges reflected in **Annexure A**, be approved for the budget year 2015/16;
4. that the Municipal Manager be authorised to sign all the necessary agreements and documents to give effect to the three year borrowing programme for external loans amounting to R30 million per annum;
5. that the following schedules be noted:
Schedule 9: Budgeted financial performance (revenue & expenditure by standard classification)
Schedule 10: Budgeted capital appropriations by municipal vote
6. that **cognisance be taken** of the letters of comment received from the community and the LG MTEC 3 Assessment Report by Provincial Treasury and the Provincial Department of Local Government, included in Annexures I and J respectively of the budget report; and
7. that **cognisance be taken** of the 2015/2016 Budget Report.

RESPONSIBLE OFFICIAL : BA KING

TARGET DATE FOR IMPLEMENTATION : 1 JULY 2015



SCHEDULE 1

WC032 Overstrand - Schedule 1 - Budgeted Financial Performance (revenue and expenditure by municipal vote)





SCHEDULE 3

WC012 Overstrand Schedule 3 - Capital Expenditure Budget by standard classification (municipal vote) and funding



SCHEDULE 4

W0812 Overview - Schedule 4 - Budget & Control Figures

Functional	2015/16	2016/17	2017/18	Control Year (2015/16)			2015/16 Review - Year Budget & Expenditure		
	Actual Outcomes	Budget Outcomes	Actual Outcomes	Original Budget	Revised Budget	Final Year Forecast	Budget Year 1 2015/16	Budget Year 2 2016/17	Budget Year 3 2017/18
LEISURE									
Current Assets									
Land	12,460	23,136	12,110	16,880	16,882	19,433	16,543	12,710	17,478
Leasehold Improvements	17,902	16,000	16,497	-	-	-	-	-	-
Construction Assets	29,720	49,028	47,459	22,374	22,348	22,574	27,112	34,581	31,103
Plant & Equipment	6,507	12,222	17,454	13,375	13,180	15,762	16,412	18,142	20,661
Leasehold Improvements (Construction)	71	0	0	14	14	14	14	0	10
Intangible Assets	10,736	17,760	17,427	12,955	12,653	11,208	14,333	13,205	13,445
Total Current Assets	239,423	219,955	175,445	187,446	186,107	204,517	167,438	118,561	155,705
Non-current assets									
Long-term Investments	726	24	14	32	32	32	137	22	4
Debtors	5,781	17,814	16,215	23,227	23,227	20,297	16,455	19,288	11,659
Prepayments	14,401	11,620	11,111	15,765	15,111	14,619	14,251	14,501	10,101
Intangible Assets	2,075,000	1,180,100	1,110,000	1,027,000	1,010,000	1,140,797	1,172,347	1,168,617	1,139,650
Accruals	-	-	-	-	-	-	-	-	-
Deferred Tax	1,007	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other Non-current Assets	10,500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Non-current Assets	4,391,044	3,299,538	3,228,111	3,089,018	3,051,137	3,303,776	2,358,916	2,390,890	2,257,111
Total Assets	4,630,467	3,519,493	3,403,556	3,276,464	3,137,244	3,508,293	2,526,354	2,589,451	2,412,816
Current Liabilities									
Debtors	5,779	16,245	20,493	22,406	21,694	21,464	16,111	11,724	17,511
Accruals	14,226	14,147	17,400	11,111	11,111	11,111	11,111	11,111	11,111
Deferred Tax	11,111	11,111	11,111	11,111	11,111	11,111	11,111	11,111	11,111
Other Current Liabilities	11,111	11,111	11,111	11,111	11,111	11,111	11,111	11,111	11,111
Total Current Liabilities	27,111	52,613	59,115	55,738	53,926	54,797	38,343	33,947	49,743
Non-current Liabilities									
Debtors	11,111	11,111	11,111	11,111	11,111	11,111	11,111	11,111	11,111
Accruals	11,111	11,111	11,111	11,111	11,111	11,111	11,111	11,111	11,111
Other Non-current Liabilities	11,111	11,111	11,111	11,111	11,111	11,111	11,111	11,111	11,111
Total Non-current Liabilities	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333
Total Liabilities	60,444	85,946	92,448	89,071	87,259	88,130	71,676	67,280	83,076
Total Assets minus Liabilities	4,569,023	2,633,547	2,511,108	2,187,393	2,050,000	2,420,163	2,454,678	2,522,171	2,329,740
NET ASSETS	2,645,757	1,554,526	1,507,265	2,148,569	2,066,477	2,064,411	2,064,411	2,064,411	2,064,411
COMMITMENT OR ALTERNATIVE									
Capital Assets	2,645,757	1,554,526	1,507,265	2,148,569	2,066,477	2,064,411	2,064,411	2,064,411	2,064,411
Capital	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111
Other Assets	1,534,646	1,553,415	1,506,154	2,147,458	2,065,366	2,063,300	2,063,300	2,063,300	2,063,300
Total Assets minus Liabilities	2,645,757	1,554,526	1,507,265	2,148,569	2,066,477	2,064,411	2,064,411	2,064,411	2,064,411



SCHEDULE 5

WG022 Overstrand - Schedule 5 - Budgeted Cash Flows

Expenditure	2010/11	2011/12	2012/13	General Fund 2014/15			2015/16 Member Fund Payments & Expenditure		
	Actual	Budget	Actual	Original	Revised	Final	Budget	Revised	Budget
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
• Contributions - Local Government	18,740	4,410	12,000	18,740	18,740	18,740	18,740	18,740	18,740
• Grants & Subsidies	27,246	4,410	17,736	27,246	27,246	27,246	27,246	27,246	27,246
• Other Income	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410
• Other Receipts - Local Government	27,246	4,410	17,736	27,246	27,246	27,246	27,246	27,246	27,246
• Other Receipts - Local Government	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410
Payments									
• Contributions - Local Government	18,740	4,410	12,000	18,740	18,740	18,740	18,740	18,740	18,740
• Grants & Subsidies	27,246	4,410	17,736	27,246	27,246	27,246	27,246	27,246	27,246
• Other Payments	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410
• Other Payments - Local Government	27,246	4,410	17,736	27,246	27,246	27,246	27,246	27,246	27,246
• Other Payments - Local Government	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410
Net Cash Flow from Operating Activities	18,740	4,410	12,000	18,740	18,740	18,740	18,740	18,740	18,740
CASH FLOW FROM INVESTING ACTIVITIES									
Receipts									
• Contributions - Local Government	18,740	4,410	12,000	18,740	18,740	18,740	18,740	18,740	18,740
• Grants & Subsidies	27,246	4,410	17,736	27,246	27,246	27,246	27,246	27,246	27,246
• Other Income	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410
• Other Receipts - Local Government	27,246	4,410	17,736	27,246	27,246	27,246	27,246	27,246	27,246
• Other Receipts - Local Government	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410
Payments									
• Contributions - Local Government	18,740	4,410	12,000	18,740	18,740	18,740	18,740	18,740	18,740
• Grants & Subsidies	27,246	4,410	17,736	27,246	27,246	27,246	27,246	27,246	27,246
• Other Payments	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410
• Other Payments - Local Government	27,246	4,410	17,736	27,246	27,246	27,246	27,246	27,246	27,246
• Other Payments - Local Government	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410
Net Cash Flow from Investing Activities	18,740	4,410	12,000	18,740	18,740	18,740	18,740	18,740	18,740
CASH FLOW FROM FINANCING ACTIVITIES									
Receipts									
• Contributions - Local Government	18,740	4,410	12,000	18,740	18,740	18,740	18,740	18,740	18,740
• Grants & Subsidies	27,246	4,410	17,736	27,246	27,246	27,246	27,246	27,246	27,246
• Other Income	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410
• Other Receipts - Local Government	27,246	4,410	17,736	27,246	27,246	27,246	27,246	27,246	27,246
• Other Receipts - Local Government	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410
Payments									
• Contributions - Local Government	18,740	4,410	12,000	18,740	18,740	18,740	18,740	18,740	18,740
• Grants & Subsidies	27,246	4,410	17,736	27,246	27,246	27,246	27,246	27,246	27,246
• Other Payments	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410
• Other Payments - Local Government	27,246	4,410	17,736	27,246	27,246	27,246	27,246	27,246	27,246
• Other Payments - Local Government	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410
Net Cash Flow from Financing Activities	18,740	4,410	12,000	18,740	18,740	18,740	18,740	18,740	18,740
Net Increase/Decrease in Cash Flows	18,740	4,410	12,000	18,740	18,740	18,740	18,740	18,740	18,740
• Contributions - Local Government	18,740	4,410	12,000	18,740	18,740	18,740	18,740	18,740	18,740
• Grants & Subsidies	27,246	4,410	17,736	27,246	27,246	27,246	27,246	27,246	27,246
• Other Income	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410
• Other Receipts - Local Government	27,246	4,410	17,736	27,246	27,246	27,246	27,246	27,246	27,246
• Other Receipts - Local Government	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410	4,410



SCHEDULE 3

WC002 Overstrand - Schedule 3 - Cash backed response account surplus reconciliation

Description	2014/15			Budget Year 2014/15			2015/16 Budget Year Surplus & Cashback Forecast		
	Actuals	Amended	Revised	Original	Adjusted	Full Year	Budget Year	Budget Year	Budget Year
	Outcome	Outcome	Outcome	Budget	Budget	Forecast	2015/16	2015/16	2015/16
Cash and investments available									
Transfer to cash and investments	11 504	14 747	12 474	10 000	44 413	34 413	11 504	12 474	12 474
Transfer from cash and investments	2	-	0	-	-	-	2	-	0
Transfer to cash and investments	7 000	11 500	10 000	22 500	10 000	22 500	7 000	11 500	10 000
Cash and investments available	18 506	26 247	22 474	32 500	54 413	56 913	18 506	23 974	22 474
Reconciliation of cash and investments									
Transfer to cash and investments	1 100	2 000	2 000	-	-	-	1 100	2 000	2 000
Transfer from cash and investments	10 000	1 000	1 000	-	-	-	10 000	1 000	1 000
Reconciliation of cash and investments	11 100	3 000	3 000	0	0	0	11 100	3 000	3 000
Reconciliation of cash and investments	7 406	23 247	19 474	32 500	54 413	56 913	7 406	20 974	19 474
Transfer to cash and investments	1 000	1 000	1 000	20 000	10 000	20 000	1 000	1 000	1 000
Transfer from cash and investments	1 000	1 000	1 000	10 000	10 000	10 000	1 000	1 000	1 000
Reconciliation of cash and investments	0	0	0	10 000	0	10 000	0	0	0
Reconciliation of cash and investments	7 406	23 247	19 474	32 500	54 413	56 913	7 406	20 974	19 474



WC032 Overland + Schreier: F + Kallid Walligische



05 JUL 2015
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SCHEDULE 9

WC012-Overseas - Schedule 9 - Guttiguzed Financial Performance: Intreved and expenditure by standard classification



03 JUN 2015
S. Swart

OVERSTRAND MUNICIPALITY



BUDGET REPORT

2015/2016

2015/16 TO 2017/18
MEDIUM TERM REVENUE AND EXPENDITURE
FORECASTS

Copies of this document can be viewed:

- At the offices of all Area Managers
- All public libraries within the municipality
- At www.overstrand.gov.za



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Abbreviations and Acronyms

BSC	Budget Steering Committee	MEC	Member of the Executive Committee
CAPEX	Capital Budget/Expenditure	MFMA	Municipal Finance Management Act
CBD	Central Business District	MIG	Municipal Infrastructure Grant
CFO	Chief Financial Officer	MM	Municipal Manager
CPI	Consumer Price Index	MMC	Member of Mayoral Committee
DBSA	Development Bank of South Africa	MPRA	Municipal Properties Rates Act
DoRA	Division of Revenue Act	MSA	Municipal Systems Act
DWA	Department of Water Affairs	MTEF	Medium-term Expenditure Framework
EE	Employment Equity	MTREF	Medium-term Revenue and Expenditure Framework
EEDSM	Energy Efficiency Demand Side Management	NERSA	National Electricity Regulator South Africa
EM	Executive Mayor	NGO	Non-Governmental organisations
FBS	Free basic services	NKPIs	National Key Performance Indicators
GAMAP	Generally Accepted Municipal Accounting Practice	NT	National Treasury
GDP	Gross domestic product	OHS	Occupational Health and Safety
GFS	Government Financial Statistics	OP	Operational Plan
GRAP	General Recognised Accounting Practice	OPEX	Operating Budget/Expenditure
HR	Human Resources	OMAF	Overstrand Municipal Advisory Forum
IDP	Integrated Development Plan	PBO	Public Benefit Organisations
ICT	Information & Communication Technology	PMS	Performance Management System
kℓ	kilolitre	PPE	Property Plant and Equipment
km	kilometre	PPP	Public Private Partnership
KPA	Key Performance Area	PT	Provincial Treasury
KPI	Key Performance Indicator	RG	Restructuring Grant
kWh	kilowatt	SALGA	South African Local Government Association
ℓ	litre	SDBIP	Service Delivery & Budget Implementation Plan
LED	Local Economic Development	SMME	Small Micro and Medium Enterprises
mSCOA	Municipal Standard Chart of Accounts		



Part 1 – Annual Budget

1.1 Mayor's Report

The Executive Mayor delivers her Budget speech with the tabling of the final budget for approval. A copy of the speech will be included thereafter.

The revised IDP will also be tabled during the Council meeting.

1.2 Council Resolution

The following is the resolution that will be considered for the approval and adoption of the annual budget for 2015/2016:

RECOMMENDATION TO THE COUNCIL:

1. that in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) the annual budget of the Overstrand Municipality for the 2015/16 to 2017/18 MTREF (Medium Term Revenue and Expenditure Framework) period **be approved and adopted** as set out in the following schedules:
 - Schedule 1:** Budgeted financial performance (revenue & expenditure by municipal vote)
 - Schedule 2:** Budgeted financial performance (revenue by source & expenditure by type)
 - Schedule 3:** Budgeted multi- and single year capital appropriations by standard classification (vote) and funding by source
 - Schedule 4:** Budgeted financial position
 - Schedule 5:** Budgeted cash flow
 - Schedule 6:** Cash backed reserves and acc. surplus reconciliation
 - Schedule 7:** Asset management
 - Schedule 8:** Basic service delivery measurement
2. that in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) the property rates reflected in **Annexure A, be imposed** for the budget year 2015/16;
3. that in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tariffs and charges reflected in **Annexure A, be approved** for the budget year 2015/16;
4. that the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the three year borrowing programme for external loans amounting to R30 million per annum;
5. that the following schedules be noted:
 - Schedule 9:** Budgeted financial performance (revenue & expenditure by standard classification)
 - Schedule 10:** Budgeted capital appropriations by municipal vote
6. that **cognisance be taken** of the letters of comment received from the community and the LG MTEC 3 Assessment Report by Provincial Treasury and the Provincial Department of Local Government, included in Annexures I and J respectively of the budget report; and



7. that cognisance be taken of the 2015/2016 Budget Report.

1.3 Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainable, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditure on non-core and 'nice to have' items.

The Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government. Encouragement of structured community participation in the matters of the municipality is now a strategic objective.

The publishing of the regulation on the Standard chart of Accounts (SCOA) on 22 April 2014 will have a profound effect on the business of local government. This reform is not limited to a financial reform, but a business reform as a whole. It is the largest reform since the promulgation of the Municipal Finance Management Act in 2003.

The following are extracts from the preamble to the regulations:

"Section 216 of the Constitution of the Republic of South Africa, 1996, provides that national legislation must prescribe measures to ensure transparency and expenditure control in each sphere of government by introducing generally recognised accounting practice, uniform expenditure classifications and uniform treasury norms and standards." "These Regulations propose segments and a classification framework for the standard chart of accounts to be applied in local government in similar form to that implemented for national and provincial government departments. In order to enable the National Treasury to provide consolidated local government information for incorporation in national accounts, national policy and other purposes, it must obtain financial information from individual municipalities."

The regulations contain amongst others, segment and classification framework for SCOA, minimum business process and system requirements and responsibilities of municipal councils and accounting officers.

The segments classification consists of the following:

Funding segment – This segment relates to the various sources of funding available to municipalities and municipal entities for financing expenditure relating to the operation of the municipality and provides for both capital and operational spending.

Function segment - This segment provides for the classification of the transaction according to the function or service delivery objective and provides for the standardisation of functions and sub-functions across local government.

Municipal Standard Classification Segment - This segment provides for the organisational structure and functionality of an individual municipality, which is not prescribed.

Project Segment - This segment provides for the classification of capital and operating projects on the basis of whether it relates to a specific project and if so, the type of project.



Regional Indicator Segment - This segment identifies and assigns government expenditure to the lowest relevant geographical region within which the intended beneficiaries of the service or capital investment are located.

Item Segment - This segment provides for the classification of item detail in the presentation of the financial position, performance and cash flow according to the nature of the transaction either as revenue, expenditure, asset, liability or net asset.

Costing Segment - This segment provides for a classification structure for secondary cost elements with reference to departmental charges, internal billing etc. and acts as a cost collector in determining inter alia total cost of services.

Overstrand municipality was identified as one of the official national pilot sites to early implement SCOA and to pilot the Bytes financial system. This budget has been compiled according to the SCOA classification framework.

National Treasury's MFMA Circulars No. 74 & 75 was used as guidance for the compilation of the 2015/16 MTREF.

The main challenges experienced during the compilation of the 2015/16 MTREF can be summarised as follows:

- The on-going difficulties in the national and local economy;
- Ever aging water, roads, sewage and electricity infrastructure;
- Sustainable refuse disposal;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities of the municipality;
- The increased cost of bulk electricity (due to tariff increases by Eskom in excess of inflation), which is placing upward pressure on service tariffs to residents. Continuous high bulk tariff increases are not sustainable, as there will be point where services will no longer be affordable;
- Revenue recovery from cost reflective core municipal services;
- Wage increases for municipal staff that have exceeded headline consumer inflation in the past, as well as the need to restructure certain components for operational efficiencies;
- Affordability of capital projects – original allocations were reduced with respect to the borrowing programme and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2015/16 MTREF process; and
- Maintaining a positive cash flow.

The following budget principles and guidelines directly informed the compilation of the 2015/16 MTREF:

- The 2014/2015 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget informed the upper limits for the new baselines for the 2015/16 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and any backlog eradication goals;
- Tariffs and property rates increases should aim to be affordable. The rate of increases in property rates has lagged in the past years;
- Some price increases in the input costs of services are beyond the control of the municipality, for instance the cost of bulk electricity, fuel and chemicals. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure maintenance and backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;



- The following cost saving measures were applied:
 - Restructuring of the personnel corps in protection services and introduction of a shift system;
 - Abolishment of twenty three posts;
 - Reduction in the borrowing programme;
 - Principle of 0% increase in non-core general expenses unless valid motivations dictate.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2015/16 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2015/16 MTREF

	Budget Year 2014/15	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18			
Revenue	810 351	895 035	973 222	1 028 409	10.5%	8.7%	5.7%
Expenditure	933 322	964 529	1 037 493	1 098 292	3.3%	7.6%	5.9%
Surplus / (Deficit)	(122 971)	(69 494)	(64 271)	(69 883)			
Capital	122 785	103 914	94 606	103 561	-15.4%	-9.0%	9.5%

Total operating revenue has grown by 10,5 per cent for the 2015/16 financial year when compared to the 2014/2015 Adjustments Budget. For the two outer years, operational revenue will increase by 8,7 and 5,7 per cent respectively. The higher increase for 2015/16 is informed by increased grant funding, which includes additional equitable share of R12,5m and housing top structures amounting to R17m.

Total operating expenditure for the 2015/16 financial year has been appropriated at R964,5m and translates into a budgeted deficit of R69,5m. When compared to the 2014/2015 Adjustments Budget, operating expenditure has grown by 3,3 per cent in the 2015/16 budget and by 7,6 and 5,9 per cent for each of the respective outer years of the MTREF. The increase of 3,3 per cent for 2015/16 is notwithstanding an additional R17m expenditure for housing top structures.

It should be noted that although the 2015/2016 operational budget and indicative years indicate budgeted deficits, this does not reflect the actual cash position. These circumstances arose as the result of the implementation of GRAP, with special reference to GRAP 17 (Property, Plant and Equipment-PPE). The asset value before depreciation is in excess of R6,1 billion, which relates to substantially high depreciation charges. Although accurately reflecting asset value, the cost of a substantial portion of these assets had been fully redeemed previously, but the useful life of assets were extended as well as ever increasing assets funded by grants. The replacement thereof can thus not be recouped via current tariffs as this would lead to taxation in advance of need and no reserves may be established for these purposes. The principle of recovering actual cash costs during each financial period is adhered to.

The capital budget of R103,9m for 2015/16 is 15,4 per cent less when compared to the 2014/2015 Adjustments Budget. The reduction is due to the available resources to fund the capital budget. The capital programme decreases to R94,6m in 2016/17 and amounts to R103,6m in the respective outer years. An estimated R100m is required annually to sustain capital infrastructure. The reduction in own funding (borrowing) is largely due to cost containment measures as a smaller portion of the capital budget (32%) will be funded from borrowing over the MTREF with anticipated borrowings of R90m. The balance will be funded from internally generated funds (3%) and capital grants (65%). The Municipality had reached its prudential borrowing limit of 60% of operational revenue in 2012 and has embarked on a strategy to manage this rate down by at least 10%. At the current borrowing programme this rate will be managed down to 44% by 2017/18 in this MTREF. National Treasury has recommended an upper limit of 45% in the norms and ratios published in 2014. As a result there is limited scope to increase these borrowing levels over the medium term.



The repayment of capital and interest (debt services costs) had increased over the previous five years as a result of the aggressive capital infrastructure programme implemented over those five years. The repayment of capital and interest (debt services costs) remains within the acceptable norms. Consequently, the capital budget remains relatively flat over the medium-term.

1.4 Operating Revenue Framework

For Overstrand to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of the municipality. The reality is that we are faced with an increasing population (7th highest growth nationally as per the 2011 census), development backlogs and increasing poverty levels. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure levels above 99 per cent annual collection rates for property rates and other key service charges (current collection level is in excess of 99%);
- Electricity tariff increases for Eskom and thus increased bulk purchases tariffs for the municipality, as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increased pressure to deliver and maintain services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following table is a summary of the 2015/16 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue By Source									
Property rates	108 913	120 799	134 813	148 640	153 509	153 509	162 730	173 308	184 573
Property rates - penalties & collection charges	925	772	821	1 050	1 050	1 050	891	980	1 078
Service charges - electricity revenue	224 950	247 883	268 362	310 085	310 085	310 085	338 877	371 535	407 747
Service charges - water revenue	83 755	85 243	95 136	95 597	95 597	95 597	102 045	107 700	113 691
Service charges - sanitation revenue	57 212	58 895	62 798	63 455	63 455	63 455	66 375	70 081	74 010
Service charges - refuse revenue	39 498	46 037	52 957	56 130	56 130	56 130	59 488	63 061	66 849
Service charges - other									
Rental of facilities and equipment	6 743	7 212	7 591	7 966	7 966	7 966	11 859	12 953	14 176
Interest earned - external investments	6 881	7 555	8 352	8 166	8 166	8 166	6 348	6 348	6 348
Interest earned - outstanding debtors	2 331	2 199	2 118	2 288	2 288	2 288	2 437	2 580	2 948
Dividends received									
Fines	5 278	14 244	22 739	7 965	30 875	30 875	31 859	32 796	33 753
Licences and permits	1 786	1 968	1 958	2 229	2 229	2 229	2 190	2 408	2 649
Agency services	1 912	2 025	2 295	2 480	2 480	2 480	2 970	3 257	3 594
Transfers recognised - operational	38 005	41 680	67 835	58 407	61 289	61 289	90 324	107 888	97 173
Other revenue	17 375	68 978	10 504	21 717	16 933	16 933	16 643	18 150	19 812
Gains on disposal of PPE	1 920								
Total Revenue (excluding capital transfers and contributions)	597 482	703 871	736 378	784 474	810 351	810 351	895 935	975 222	1 028 409



Table 3 Percentage growth in revenue by main revenue source

Description R thousand	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework					
		Budget Year 2015/16		Budget Year +1 2016/17		Budget Year +2 2017/18	
Revenue By Source							
Property rates	153 509	162 730	6.01%	173 308	6.50%	184 573	6.50%
Property rates - penalties & collection charges	1 050	891	-15.14%	980	10.00%	1 078	10.00%
Service charges - electricity revenue	310 085	338 877	9.29%	371 635	9.67%	407 747	9.72%
Service charges - water revenue	95 897	102 045	6.41%	107 700	5.54%	113 691	5.56%
Service charges - sanitation revenue	63 455	66 375	4.60%	70 081	5.58%	74 010	5.61%
Service charges - refuse revenue	56 130	59 488	5.98%	63 061	6.01%	66 849	6.01%
Rental of facilities and equipment	7 966	11 859	48.86%	12 953	9.23%	14 176	9.44%
Interest earned - external investments	6 166	6 348	2.94%	6 348	0.00%	6 348	0.00%
Interest earned - outstanding debtors	2 288	2 437	6.49%	2 680	10.00%	2 948	10.00%
Fines	30 875	31 859	3.19%	32 766	2.84%	33 763	3.04%
Licences and permits	2 229	2 190	-1.77%	2 408	10.00%	2 649	10.00%
Agency services	2 480	2 970	19.78%	3 267	10.00%	3 594	10.00%
Transfers recognised - operational	61 289	90 324	47.37%	107 886	19.44%	97 173	-9.93%
Other revenue	16 933	16 643	-1.71%	18 150	9.05%	19 812	9.16%
Total Revenue (excluding capital transfers and contributions)	810 351	895 035	10.45%	973 222	8.74%	1 028 409	5.67%

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Municipality. An increase in revenue of 6 per cent represents the tariff increase for rates, water, sanitation and refuses revenue. Rates and service charge revenues comprise 84% of the total operating revenue mix. In the 2014/2015 financial year, revenue from rates and services charges totalled R690m. This increases to R745m, R802m and R865m in the respective financial years of the MTREF. The growth above 6 per cent can mainly be attributed to the increased share that the sale of electricity contributes to the total revenue mix, which in turn is due to rapid increases in the Eskom tariffs for bulk electricity, above anticipated inflation growth and operational grants. The above table includes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality. Details in this regard are contained in Table 61 MBRR SA1 (see page 94).

After service charges, property rates is the second largest revenue source. The third largest source is operational grants from national and provincial government, which has shown growth over the MTREF, followed by fines and 'other revenue' which consists of various items such as income received from permits and licenses, building plan fees, connection fees, advertisement fees etc. Departments delivering these services have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related. Some revenue categories indicate distorted trends between 2014/15 and 2015/16 as indicated by rentals, licenses and other revenue. This is mainly due to reclassification of revenue categories in line with mSCOA.

Operating grants and transfers total R90,3 million in the 2015/16 financial year. This increases to R107,9m in 2016/17 and decreases to R97,1m in 2017/18 of the MTREF. Equitable share increases substantially over the MTREF (53%) in terms of the equitable share formula after the release of the 2011 census figures, as a result of the population growth in the Overstrand area. The increase in the housing allocation is due to the building of top structures for housing development (R53,6m) anticipated over the MTREF. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:



Table 4 Operating Transfers and Grant Receipts

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1	Budget Year +2
RECEIPTS:									
Operating Transfers and Grants									
National Government:	33 973	38 956	45 033	54 673	56 511	56 511	67 709	74 702	82 187
Local Government Equitable Share	31 156	36 146	41 949	52 021	52 021	52 021	64 598	72 270	79 604
Finance Management	1 250	698	1 300	884	1 450	1 450	1 450	1 475	1 550
Municipal Systems Improvement	790	780	540	—	—	—	—	957	1 033
EPWP Incentive	777	1 332	1 244	1 768	1 768	1 768	1 661	—	—
Municipal Disaster Recovery Grant	—	—	—	—	1 272	1 272	—	—	—
Provincial Government:	10 697	2 703	23 332	3 734	4 174	4 174	22 615	33 184	14 985
Housing	9 914	1 659	18 689	183	91	91	17 141	27 480	8 376
Emergency Housing Programme (EHP)	—	—	—	220	220	220	—	—	—
Provincial Library Grant	640	691	795	3 182	3 182	3 182	5 288	5 557	5 890
Financial Management Support Grant	—	—	800	—	514	514	—	—	—
Community Development Worker Grant	78	70	49	52	70	70	72	76	80
Main Road Subsidy	65	65	2 651	97	97	97	114	—	—
Sport & Recreation Grant	—	—	—	—	—	—	—	—	—
Nelson Mandela commemoration Grant	—	—	100	—	—	—	—	—	—
Greenest Municipality	—	—	50	—	—	—	—	—	—
Other grant providers:	270	652	586	—	185	185	—	—	—
Prov Govt. IGT Projects for Libraries	—	—	27	—	—	—	—	—	—
Table Mountain Fund	—	—	240	—	—	—	—	—	—
Samras Usergroup	—	22	—	—	—	—	—	—	—
Friedrich Naumann Foundation	—	—	319	—	185	185	—	—	—
Spaces 4 Sport	270	630	—	—	—	—	—	—	—
Total Operating Transfers and Grants	44 940	42 311	68 951	58 407	60 870	60 870	90 324	107 886	97 173

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in possible higher levels of non-payment.

The increase in property rates has been limited to only 6,85% notwithstanding the lagging of rates increases below inflation over previous years before 2014/15. Furthermore, increases in service charges have been kept at average inflation, with the electricity consumption tariff equal to the NERSA approval of Eskom tariffs. This contributes to the eroding of surpluses on services due to higher than inflation input costs. Notwithstanding that surpluses on services have traditionally subsidised community services, the decrease in these surpluses can also be viewed positively as this decreases the level of cross subsidisation. See the table below.

The percentage increases of Eskom bulk tariffs are beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's electricity tariffs are largely outside the control of the Municipality. Discounting the impact of these price increases in lower consumer tariffs can erode the Municipality's future financial position and viability, balanced with tariff affordability.



The following table sets out the costing of services.

Table 5 Costing of services

COSTING OF SERVICES	Amended Budget 2014/2015	Original Budget 2015/2016	
Service : 1200 ELECTRICITY			
** SALARIES, WAGES & ALLOWANCES	16 008 002		
** GENERAL EXPENSES	213 578 651		
** REPAIRS & MAINTENANCE	4 560 080		
** CAPITAL CHARGES	38 213 845		
Bulk Purchases		193 573 082	
Contracted Services		2 531 836	
Depreciation and Amortisation		22 144 494	
Employee Related Cost		19 049 774	
Interest Dividends and Rent on Land		15 927 856	
Inventory		3 644 998	
Operational Cost		406 200	
Costing: overheads (dept charges)		43 951 492	
TOTAL EXPENDITURE	272 360 578	301 229 632	10.60%
TOTAL INCOME	-310 086 306	-338 360 730	9.12%
(SURPLUS)/DEFICIT	-37 724 728	-37 131 198	
	13.85%	12.33%	
Service : 1300 WATER			
** SALARIES, WAGES & ALLOWANCES	16 672 866		
** GENERAL EXPENSES	28 603 656		
** REPAIRS & MAINTENANCE	9 909 706		
** CAPITAL CHARGES	37 871 229		
** EMPLOYEE RELATED COST		17 129 257	
** OPERATIONAL COST		203 765	
** BULK PURCHASES		3 283 296	
** CONTRACTED SERVICES		7 968 743	
** INTEREST DIVIDEND RENT ON LAND		18 022 914	
** DEPRECIATION AND AMORTISATION		18 968 693	
** INVENTORY		12 696 587	
Costing: overheads (dept charges)		16 564 152	
TOTAL EXPENDITURE	93 067 467	94 817 407	1.89%
TOTAL INCOME	-96 871 828	-102 644 773	5.96%
(SURPLUS)/DEFICIT	-3 814 371	-7 827 366	
	4.10%	8.26%	
Service : 1400 WASTE WATER MANAGEMENT			
** SALARIES, WAGES & ALLOWANCES	18 433 913		
** GENERAL EXPENSES	9 734 044		
** REPAIRS & MAINTENANCE	8 439 440		
** CAPITAL CHARGES	24 486 603		
Bulk Purchases		720 915	
Contracted Services		6 492 674	
Depreciation and Amortisation		17 060 567	
Employee Related Cost		17 530 796	
Interest Dividends and Rent on Land		7 783 445	
Inventory		4 729 979	
Operational Cost		255 724	
Costing: overheads (dept charges)		9 650 956	
TOTAL EXPENDITURE	61 094 000	64 226 066	5.12%
TOTAL INCOME	-63 324 796	-66 926 990	5.69%
(SURPLUS)/DEFICIT	-2 230 796	-2 700 934	
	3.65%	4.21%	
Service : 1500 WASTE MANAGEMENT			
** SALARIES, WAGES & ALLOWANCES	20 315 436		
** GENERAL EXPENSES	25 859 582		
** REPAIRS & MAINTENANCE	1 789 307		
** CAPITAL CHARGES	5 524 816		
** CONTRIBUTION TO PROVISIONS	3 000 000		
** EMPLOYEE RELATED COST		21 432 276	
** OPERATIONAL COST		4 821 959	
** CONTRACTED SERVICES		16 432 173	
** INTEREST DIVIDEND RENT ON LAND		1 751 952	
** DEPRECIATION AND AMORTISATION		5 159 240	
** INVENTORY		2 666 294	
Costing: overheads (dept charges)		8 545 653	
TOTAL EXPENDITURE	56 489 141	62 809 547	11.19%
TOTAL INCOME	-56 130 000	-59 544 160	6.08%
(SURPLUS)/DEFICIT	359 141	3 265 387	
	-0.64%	-5.20%	

Notes:

1. Disparity of expenditure categories from implementation of mSCOA.
2. Increased refuse expenditure resulting from new waste disposal infrastructure
3. Secondary costs indicated in line with previous allocations + 5%
4. The waste management deficit addressed in para. 1.4.5



It must also be noted that the consumer price index, as measured by CPI, is not a good indicator of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, accommodation, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity, chemicals, etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows.

1.4.1 Property Rates

Property rates cover the cost of the provision of general community and support services. Determining the effective property rates tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and also prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties.

The following stipulations in the Property Rates Policy are highlighted:

TARIFF CODE	CLASS TAX	TYPE OF PROPERTY	REBATE OR EXEMPTIONS
BUS	General Tax: Commercial	All business, industries, Bed and Breakfast and Guest Houses	No exemptions. Bed and Breakfast as well as Guesthouses can apply before 30 June for the following rebate on the <u>difference between Bus and Res. rate</u> : 1 -2 X lettable room: 100% 3 X lettable rooms: 75% 4 X lettable rooms: 50% 5 X lettable rooms: 25%
BUSO	General Tax: Tourism and recreational resorts outside the municipal urban areas	Hotels, Guest Houses, Cottages, Caravan parks and Holiday Resorts, Chalets	50% rebate on the tax applicable on commercial property in urban areas.
RES	General Tax: Residential properties within the municipal service areas	Single residential properties, Group housing, Retirement Villages, Flats, Sectional Schemes, small holdings not used for bona fide farming purposes	The first R15 000.00 of the rateable value of all residential properties is exempted from property tax. A further R35 000.00 of the rateable value is exempted in respect of all residential properties where a residential completion certificate has been issued and an additional rebate of 20% of the levy calculated on such properties, is granted. Rebate to qualifying property owners as indicated under "Other Rebate"
RESO	General Tax: Residential properties outside the municipal urban area	Single residential properties, Group housing, Retirement Villages, Flats, Sectional Schemes	50% of the tax applicable on residential property in urban areas. Rebate to qualifying property owners as indicated under "Other Rebate"



FARMS	General Tax: Farming Properties	Smallholdings used for bona fide farming purposes outside municipal service area	Agricultural purpose in relation to the use of a property, excludes the use of a property for the purpose of ecotourism or for the trading in or hunting of game.
FARMS	Conservation land	Privately owned properties whether designated or used for conservation purposes.	Not rateable in terms of section 17(1)(e) of the act.
PR100 PR050 PR040	Other Rebates	Single residential properties, Group Housing, Retirement Villages, Flats, Sectional Schemes	<ul style="list-style-type: none"> - Property must be occupied permanently; - The applicant must be the registered owner; - Only one residential unit allowed on the property - Applicant may not be the registered owner of more than one property <ul style="list-style-type: none"> • A rebate of 100% to approved applicants, in terms of the Property Rates Policy, who's gross monthly household income may not exceed the amount of two times (2X) of state funded social pensions per month; • A rebate of 50% to approved applicants, in terms of the Property Rates Policy, who are older than 60 with a gross monthly household income less than four times (4X) of state funded social pensions per month; • A rebate of 40% to approved applicants, in terms of the Property Rates, who are older than 60 with a gross monthly household income of more than four times (4X) but less than eight times (8X) of state funded social pensions per month.

The following table sets out the categories of rateable properties for purposes of levying rates and the proposed rates for the 2015/16 financial year, to increase from 1 July 2015.

Table 6 Comparison of proposed rates to be levied for the 2015/16 financial year

RATES TARIFFS 2015/2016					
Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
RATES	YEAR OF GENERAL VALUATION: 02 JULY 2011				
RATE1*	Commercial Land with Improvements	0.00670	0.00670	0.00627	0.00627
RATE2*	Residential Land with Improvements * See attached schedule of Exemptions and Rebates applicable	0.00442	0.00442	0.00414	0.00414
RATE3	Municipal Properties: Investment Properties	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential
RATE4	Municipal Properties: Property, Plant and Equipment	0.00000	0.00000	0.00000	0.00000
RATE5	Improvement District Surcharge (HPP) on total rates payable on approved Improvement District	0.10000	0.10000	0.10000	0.10000
RATE6	Building Clause	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property
RATE7	Farm/Agriculture (Bona-fide)	0.00111	0.00111	0.00104	0.00104
RATE8	Undeveloped even	0.00605	0.00605	0.00566	0.00566
RATE9	Government Properties: Commercial	0.00670	0.00670	0.00627	0.00627
RATE10	Government Properties: Residential	0.00442	0.00442	0.00414	0.00414
PLEASE NOTE: VAT IS LEVIED AT A RATE OF 0% ON ASSESSMENT RATES					

1.4.2 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it does with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:



- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014.

Better maintenance of infrastructure and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability.

Tariff increases as from 1 July 2015 are indicated in the list of tariffs in Annexure C. The 6 kℓ free water per 30-day period has since 2014 only been granted to registered indigents. The second level of phasing in the increases in the 0 – 6 kℓ category as implemented during 2013/14, to recover minimum cost of the production of water, further postponed in 2014/15, has now been implemented. This is the reason for the higher than 6% increase in this category of the tariffs.

A summary of the proposed tariffs for households (residential) are as follows:

Table 7 Comparison between current water charges and increases (Domestic)

Tariff Code	Detail	2015/2016		2014/2015		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
W1B	CONSUMPTION - HOUSEHOLDS					
	Normal Tariff					
W1B1	0 - 6 kℓ per kℓ	3.62	4.13	3.25	3.71	11.50%
W1B2	7 - 18 kℓ per kℓ	9.12	10.39	8.60	9.80	6.00%
W1B3	19 - 30 kℓ per kℓ	14.79	16.86	13.95	15.90	6.00%
W1B4	31 - 45 kℓ per kℓ	22.76	25.95	21.48	24.48	6.00%
W1B5	46 - 60 kℓ per kℓ	29.57	33.71	27.90	31.81	6.00%
W1B6	>60kℓ per kℓ	39.43	44.95	37.20	42.40	6.00%

1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA announced a revised bulk electricity pricing structure for Eskom during 2013/14 for a three year period. A 14,24 per cent increase in the Eskom bulk electricity tariffs to municipalities will become effective from 1 July 2015. The National Treasury guideline tariff increase to municipalities is 12,2 per cent. During his budget speech on 25 February 2015, the Minister of Finance announced that the electricity levy will be increased by 2 cents per kWh. A special municipal circular will be issued in due course to guide municipalities on the implementation of the 2 cents per kWh electricity levy.

Since the approval of the above increase by NERSA, Eskom launched an application for further increases up to 25,3 per cent. In terms of legislation, the Minister of Finance postponed the finalisation of the further tariff increase application by NERSA until 15 May 2015. This timeframe was set to allow municipalities to still be able to finalise their budget by the end of May. On 13 May 2015 NERSA issued a press statement setting the timeframes for the finalisation of the application on 29 June 2015. National Treasury has not issued any further guidance on the matter. As this puts the municipality at risk for the finalisation of the budget, the original increases have been factored into the budget.

Considering the Eskom increases, the overall tariffs will increase between 9,74 per cent and 12,2 per cent. The basic charge increases by 6 per cent and consumption by 12,2 per cent. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.



The time-of-use tariff has been restructured to a single tariff per category for the full 12 month period in the daily Off-peak, Standard and Peak categories. This is aimed at equalising the revenue flow for the municipality during the financial year and for large consumers to contend with only a single set of tariffs for their own planning. This should enhance financial planning for both the municipality and large consumers. Large consumers also thus have the opportunity to down size on their Notified Maximum Demand.

Registered indigents will again be granted 50 kWh per 30-day period free of charge.

The following table shows the impact of the proposed increases in electricity tariffs for domestic customers:

Table 8 Comparison between current electricity charges and increases (Domestic)

Tariff Code	Detail		2015/2016		2014/2015		
			Exclude VAT	Include VAT	Exclude VAT	Include VAT	
E1A	Two-Part Tariff: Credit meters up to 60 Amp (13.8 kVA BDMD) (Including Resorts)						
E1A1	Basic Monthly charge per meter	R	216.83	247.19	204.56	233.20	6.00%
	kWh Unit cost						
E1A2	IBT BLOCK 1 0 - 350 kWh	c	107.67	122.74	95.96	109.39	12.20%
E1A3	IBT BLOCK 2 351 - 600 kWh	c	145.88	166.30	130.02	148.22	12.20%
E1A4	IBT BLOCK 3 > 600 kWh	c	175.82	200.43	156.70	178.64	12.20%
E1B	Two-Part Tariff: Pre-Paid up to 60 Amp (13.8 kVA BDMD) (Included Resorts)						
E1B1	Basic Monthly charge per meter	R	216.83	247.19	204.56	233.20	6.00%
	kWh Unit cost						
E1B2	IBT BLOCK 1 0 - 350 kWh	c	99.45	113.38	88.64	101.05	12.20%
E1B3	IBT BLOCK 2 351 - 600 kWh	c	137.46	156.71	122.52	139.67	12.20%
E1B4	IBT BLOCK 3 > 600 kWh	c	169.00	192.66	150.62	171.71	12.20%

The stepped tariff for electricity as previously proposed by NERSA has continued. Tariffs have increased across all blocks at the same rate. The municipality will maintain the current stepped structure for the electricity tariffs. The reduced tariffs for prepaid meters will continue as in the past.

The challenge regarding the previous inadequate electricity bulk capacity in the Hermanus area and the impact on service delivery and development has been alleviated with the commissioning of the new 66 KVA sub-station.

The proposed capital budget for the Electricity Division will primarily be utilised for certain committed upgrade projects and to strengthen critical infrastructure (e.g. substations without back-up supply) and limited upgrading of networks.

Owing to the high increases in Eskom's bulk tariffs, it is clearly not possible to fund further necessary upgrades through increases in the municipal electricity tariff – as the resultant tariff increases would be unaffordable for the consumers. The taking up of loans as a strategy for the funding of infrastructure is considered to spread the burden over the life span of the assets. As part of the 2015/16 medium-term capital programme, funding has been allocated to electricity infrastructure.

The full proposed tariffs are included in Annexure C.

1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of 6 per cent for sanitation (consumption) and 6 per cent for basic charges is proposed from 1 July 2015. This is based on tariff increases related to inflation increases as mentioned earlier in this report. It should be noted that electricity costs contributes towards waste water treatment input costs and therefore the limited increase in expenditure will have to be made up from operational efficiencies.

The following factors inform the proposed tariffs:



- Sanitation charges are calculated according to the percentage water discharged as indicated in the table below;
- Free sanitation (4,2 kℓ of 6 kℓ water) will be applicable to registered indigents; and

The following table compares the current and proposed tariffs:

Table 9 Comparison between current sanitation charges and increases (Domestic)

Tariff Code	Detail	2015/2016		2014/2015		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
SE7A	SEWERAGE - SINGLE AND INTERMEDIATE RESIDENTIAL (Dwelling house and Duplex flats, Conventional Sewers, small bore sewers and conservancy tanks)					
SE7A1	0 - 35kl per kl (based on 70% of 50kl water usage) - per unit per month, Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	10.88	12.40	10.26	11.70	6.00%
SE8	BASIC CHARGE					
SE8A	Basic Monthly Charge Developed sites per erf/unit per month	96.61	110.13	91.14	103.90	6.00%

1.4.5 Waste Removal and Impact of Tariff Increases

Solid waste removal is operating marginally below breakeven. The Municipality will have to revise the solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to the cost impact on this service are increased capital and operational costs for the new solid waste disposal infrastructure and general expenditure.

The re-opening of the Karwyderskraal waste disposal site in April 2015 by the Overstrand municipality, who will operate the site, has been resolved by the entering into a long term lease agreement with the District municipality for a portion of the land at Karwyderskraal to further develop cells. This will channel solid waste disposal from Hermanus and Kleinmond to this site, to improve operational efficiencies. The Theewaterskloof municipality previously disposed of solid waste at Karwyderskraal when it was operated by the District municipality. Indications are that the Theewaterskloof municipality will once again opt to utilise this service on a permanent basis. No additional revenue has been budgeted in this regard, pending service agreements. This aspect will be reviewed during the mid-year review for 2015/2016 and revenue adjustments will be considered at that stage.

An increase of 6 per cent in the waste removal tariff is proposed from 1 July 2015. Higher increases will not be viable at this stage owing to the increases implemented in the preceding financial year. The acceptability of the draft budgeted figures, after due consideration, is viewed as appropriate in context with the participation by Theewaterskloof municipality, which will grant a more realistic performance of this service later on during the 2015/16 financial year. Any further increase would also have been counter-productive and will result in affordability challenges for individual consumers.

The following table compares current and proposed amounts payable from 1 July 2015:



Table 10 Comparison between current waste removal fees and increases (Domestic)

Tariff Code	Detail	2015/2016		2014/2015		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
SAN1	REFUSE REMOVAL (1 removal per week of 4 bags or 1X240 Bin)	R	R	R	R	
SAN1A	Residential (All registered erven/unit with approved building plan) 1 x removal per week (R/Month)	137.99	157.30	130.18	148.40	6.00%

All proposed refuse tariffs are listed in Annexure C.

1.4.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on medium and small household consumers, as well as an indigent household receiving free basic services.

Note that in all instances the overall impact of the tariff increases on household's bills has been kept below 6,3 per cent and the increase for indigent households at 2,6 per cent, before the impact of the electricity increases. The electricity tariff increase raises this level to 8,44 & 10,11 per cent respectively.

Medium Consumption with prepaid elect meter

Valuation R2 500 000

	2014/2015	2015/2016	Amount	%
Rates	676.20	722.52	46.32	6.85
Sewer SE7A1+SE8A	270.69	287.01	16.32	6.03
Infrastructure Basic Charge Water, Electricity & Sewer	41.70	41.70	0.00	0.00
Refuse 1X Per Week	130.18	137.99	7.81	6.00
Water 25 kl	322.63	343.11	20.48	6.35
VAT	107.13	113.37	6.25	5.83
SUB TOTAL	1 548.53	1 645.70	97.18	6.28
Electricity Prep: 800 kWh	1 122.32	1 246.55	124.24	11.07
VAT	157.12	174.52	17.39	11.07
TOTAL	2 827.97	3 068.77	238.81	8.44
HPP if applicable	67.62	72.25	4.63	6.85

Low Consumption with prepaid elect meter

Valuation R1 000 000

	2014/2015	2015/2016	Amount	%
Rates	262.20	280.16	17.96	6.85
Sewer SE7A1+SE8A	198.87	210.85	11.98	6.02
Infrastructure Basic Charge Water, Electricity & Sewer	41.70	41.70	0.00	0.00
Refuse 1X Per Week	130.18	137.99	7.81	6.00
Water 15 kl	199.18	212.22	13.04	6.55
VAT	79.79	84.39	4.60	5.76
SUB TOTAL	911.92	967.31	55.39	6.07
Electricity Prep: 350 kWh	514.80	564.92	50.12	9.74
VAT	72.07	79.09	7.02	9.74
TOTAL	1 498.79	1 611.32	112.52	7.51
HPP if applicable	26.22	28.02	1.80	6.85

Life-Line Consumption (ONE PART) (Indigent)

Valuation R50 000

	2014/2015	2015/2016	Amount	%
Rates	0.00	0.00	0.00	0.00
Sewer SE7A1	14.36	15.23	0.87	6.04
Infrastructure Basic Charge Water, Electricity & Sewer	41.70	41.70	0.00	0.00
Refuse 1X Per Week	0.00	0.00	0.00	0.00
Water 8 kl	17.20	18.24	1.04	6.05
VAT	10.26	10.52	0.27	2.60
SUB TOTAL	83.52	85.70	2.18	2.60
Electricity Prep: 300 kWh	263.70	295.87	32.17	12.20
VAT	36.92	41.42	4.50	12.20
TOTAL	384.14	422.99	38.85	10.11



Table 11 MBRR Table SA14 – Household bills

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16 % Incr.	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Rand/cent										
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	141.26	151.25	156.00	179.40	179.40	179.40	7.0%	191.69	203.19	215.38
Electricity: Basic levy	151.75	157.89	192.98	204.56	204.56	204.56	6.0%	216.83	229.84	243.63
Electricity: Consumption	953.00	1 056.28	1 126.62	1 219.00	1 219.00	1 219.00	11.0%	1 357.95	1 439.43	1 525.79
Water: Basic levy	87.72	92.98	96.49	102.28	102.28	102.28	6.0%	108.42	114.93	121.82
Water: Consumption	168.48	224.44	273.66	290.10	290.10	290.10	6.0%	308.64	332.60	352.55
Sanitation	245.92	264.87	288.62	305.94	305.94	305.94	6.0%	325.09	344.60	365.27
Refuse removal	83.33	113.16	122.81	130.18	130.18	130.18	6.0%	137.99	146.27	155.05
Other										
sub-total	1 831.46	2 060.87	2 257.18	2 431.46	2 431.46	2 431.46	8.8%	2 646.61	2 810.84	2 979.50
VAT on Services	236.63	267.35	294.17	312.99	312.99	312.99		344.41	365.07	386.98
Total large household bill:	2 068.09	2 328.22	2 551.35	2 744.44	2 744.44	2 744.44	9.0%	2 991.02	3 175.92	3 366.47
% increase/-decrease		12.6%	9.6%	7.6%	-	-		9.0%	6.2%	6.0%
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	97.80	104.70	108.00	124.20	124.20	124.20	7.0%	132.71	140.67	149.11
Electricity: Basic levy	151.75	157.89	192.98	204.56	204.56	204.56	6.0%	216.83	229.84	243.63
Electricity: Consumption	399.00	438.62	456.59	494.01	494.01	494.01	11.0%	550.31	583.33	618.33
Water: Basic levy	87.72	92.98	96.49	102.28	102.28	102.28	6.0%	108.42	114.93	121.82
Water: Consumption	133.38	164.44	207.86	222.45	222.45	222.45	6.0%	236.54	250.73	265.78
Sanitation	231.74	234.17	254.84	270.13	270.13	270.13	6.0%	287.01	304.23	322.48
Refuse removal	83.33	113.16	122.81	130.18	130.18	130.18	6.0%	137.99	146.27	155.05
Other										
sub-total	1 184.72	1 305.96	1 439.57	1 547.81	1 547.81	1 547.81	7.9%	1 669.81	1 770.00	1 876.20
VAT on Services	152.17	168.18	186.42	199.01	199.01	199.01		215.19	228.11	241.79
Total small household bill:	1 336.88	1 474.14	1 625.99	1 746.82	1 746.82	1 746.82	7.9%	1 885.00	1 998.10	2 117.99
% increase/-decrease		10.3%	10.3%	7.4%	-	-		7.9%	6.0%	6.0%
Monthly Account for Household - 'Indigent' Household receiving free basic services										
Rates and services charges:										
Property rates	54.33	58.16	60.00	69.00	69.00	69.00	7.0%	73.73	78.15	82.84
Electricity: Basic levy	151.75	157.89	192.98	204.56	204.56	204.56	6.0%	216.83	229.84	243.63
Electricity: Consumption	252.00	278.39	286.75	310.24	310.24	310.24	11.0%	345.59	366.33	388.30
Water: Basic levy	87.72	92.98	96.49	102.28	102.28	102.28	6.0%	108.42	114.93	121.82
Water: Consumption	98.28	104.44	123.67	131.10	131.10	131.10	6.0%	139.02	149.64	158.62
Sanitation	204.15	203.48	221.07	234.33	234.33	234.33	6.0%	248.93	263.87	279.70
Refuse removal	83.33	113.16	122.81	130.18	130.18	130.18	6.0%	137.99	146.27	155.05
Other	(468.47)	(521.33)	(598.16)	(635.06)	(635.06)	(635.06)	7.0%	(676.64)	(717.24)	(780.27)
sub-total	463.09	487.17	505.61	546.63	546.63	546.63	8.6%	593.87	631.78	669.69
VAT on Services	57.23	60.06	64.96	69.60	69.60	69.60		73.12	77.51	82.16
Total small household bill:	520.32	547.23	570.57	616.23	616.23	616.23	8.2%	666.99	709.29	751.85
% increase/-decrease		5.2%	4.3%	8.0%	-	-		8.2%	6.3%	6.0%

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water

2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water

3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)



1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2015/16 budget and MTREF is informed by the following:

- Balanced budget constraint (cash operating expenditure should not exceed cash operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- The repairs and maintenance plan relating to the asset management strategy;
- Funding of the budget over the MTREF as informed by Section 18 and 19 of the MFMA;
- Limiting growth in the personnel structure;
- Reducing expenditure on non-core programmes;
- Implementing operational gains and efficiencies; and
- Strict adherence to the principle of *no project plan no budget*. If there is no business plan no funding allocation will be made.

The following table is a high level summary of the 2015/16 budget and MTREF (classified per main type of operating expenditure):

Table 12 Summary of operating expenditure by standard classification item

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1	Budget Year +2
Expenditure By Type									
Employee related costs	207 938	231 642	260 645	280 066	276 217	276 217	291 593	305 408	323 583
Remuneration of councillors	6 717	7 084	7 933	8 516	8 516	8 516	8 674	9 192	9 741
Debt impairment	28	6 688	12 526		22 792	22 792	22 792	22 792	22 792
Depreciation & asset impairment	104 041	104 408	99 361	109 265	105 461	105 461	111 362	118 043	125 126
Finance charges	31 727	37 331	39 927	45 162	44 480	44 480	46 895	46 780	47 279
Bulk purchases	126 869	145 022	157 055	169 444	169 444	169 444	193 573	221 138	252 628
Other materials	54 582	12 441	13 595	17 295	17 315	17 315	57 801	69 631	53 593
Contracted services	24 079	67 697	72 754	81 062	82 467	82 467	125 322	128 122	135 442
Transfers and grants	28 454	35 856	38 749	41 370	41 668	41 668	48 497	54 667	62 244
Other expenditure	158 290	102 146	117 460	117 407	164 963	164 963	58 021	61 721	65 866
Loss on disposal of PPE		1 756	12 017						
Total Expenditure	742 525	752 070	832 022	869 588	933 322	933 322	964 529	1 037 493	1 098 292

The budgeted allocation for employee related costs for the 2015/16 financial year totals R291,6m which equals 30,2 per cent of the total operating expenditure and within the NT norm of 25 – 40 per cent. The current three year collective SALGBC agreement comes to an end in 2014/2015. The parties to the bargaining council are currently still in negotiations on salary increases for 2015/2016. Salary increases (inclusive of annual notch increases) have been factored into the budget at a percentage increase of 6,1 per cent for the 2015/16 financial year as well as the two outer years of the MTREF, based on average inflation for 2014.

As part of the Municipality's cost reprioritisation and cash management strategy vacancies have been significantly rationalised downwards. A total of twenty three posts were abolished from the organisational structure. The Protection Services directorate has been restructured whereby a shift system has been introduced resulting in substantial savings on overtime and standby allowances. The outsourcing of the water and waste water treatment plants, in respect of operational efficiencies, are currently being considered.



With effect from 1 July 2010, the Municipal Manager and Section 57 Employees (Directors) remuneration is determined by an independent consulting firm, Messrs. Work Dynamics (Pty) Ltd, appointed by the Employer to determine market related cost-to-employer remuneration packages. The afore-mentioned employees receive no bonuses, which principle was negotiated with them. The recommendation of Messrs. Work Dynamics (Pty) Ltd, although they are a private company, does compare the salaries of people with similar job descriptions, whether it be the private or government sector. The remuneration model developed by them for senior managers in the local government sector has been adjusted to reflect the remuneration trends in the labour market. This determination will be completed at a later stage for the 2015/2016 budget. For budgeting purposes, the same increase of 6,1 per cent, as for other employees has been factored into the budget.

New regulations have been promulgated, which regulations provide for the Minister of Co-operative Governance to determine the total remuneration packages payable to any new employees to the posts of Municipal Manager and Section 57 Employees (Directors), with effect from 1 July 2014. Existing contracts however continue until they lapse.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The proclamation with regard to the 2014/2015 increases was published recently. For budgeting purposes, the same increase of 6,1 per cent, as for other employees has been factored into the budget.

The provision of debt impairment was determined based on an annual collection rate of close to 100 per cent and the Debt Write-off Policy of the Municipality. For the 2015/16 financial year this amount equates to a zero provision as the current provision is set to decrease slightly over the medium term. Impairment for traffic fines, resulting from the implementation of IGRAP1, has been budgeted according to the trends from the 2013/2014 financial year.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate of asset consumption. Budget appropriations in this regard total R111,4m for the 2015/16 financial year and equates to 11,39 per cent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This resulted in a significant increase in depreciation relative to previous years. This aspect is further highlighted in para. 1.3 of this report.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital) and limited finance leases. Finance charges make up 4,8 per cent of operating expenditure excluding annual redemption for 2015/16 and increases to R47,3m by 2017/18, down from R49,5m in the previous 2016/2017 budget. This results from the planned decrease in borrowing over the MTREF from the previous budget. As previously noted, the Municipality had reached its prudential limits for borrowing in 2012 – hence the planned borrowing to finance the capital budget does not result in finance charges increasing as a percentage of operational expenditure – rather it decreases to 4,3 per cent over the MTREF.

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases of the already approved tariffs of 14,24 per cent have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures account for distribution losses.

Other materials, now classified as Inventory in mSCOA, comprise amongst others the purchase of materials for maintenance, cleaning materials, fuel, printing and stationary, etc. In line with the Municipality's repairs and maintenance plan this group of expenditure has been prioritised to ensure sustainability of the Municipality's infrastructure. The introduction and reclassification resulting from mSCOA has caused a shift in expenditure previously classified and budgeted under general expenses.



Contracted services have been identified as a cost saving area for the Municipality. As part of the compilation of the 2015/16 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. In the 2015/16 financial year, this group of expenditure totals R127m. The introduction and reclassification resulting from mSCOA has caused a shift in expenditure previously classified and budgeted under general expenses. Further details relating to contracted services can be seen in Table 61 MBRR SA1 (see page 94).

Other expenditure, now classified as Operational Costs in mSCOA, comprises of various line items relating to the daily operations of the municipality. The introduction and reclassification resulting from mSCOA has caused a shift in expenditure previously classified and budgeted under general expenses to Inventory (materials) and contracted services. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Further details relating to other expenditure can be seen in Table 61 MBRR SA1 (see page 94).

The following table gives a breakdown of the main expenditure categories for the 2015/16 financial year.



Figure 1 Main operational expenditure categories for the 2015/16 financial year

1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2015/16 budget and MTREF provide for growth in the area of asset maintenance, as informed by the asset maintenance strategy and repairs and maintenance plan of the Municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

Table 13 Operational repairs and maintenance

WC032 Overstrand - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
by Expenditure Item									
Employee related costs	15 563	27 460	35 905	40 285	40 285	40 285	45 175	47 787	50 845
Other materials	5 198	9 153	8 965	8 807	8 807	8 807	14 541	15 638	16 361
Contracted Services	12 320	21 740	32 675	34 161	34 181	34 161	35 194	37 739	39 865
Other Expenditure	31 774	56 081	72 912	79 016	79 016	79 016	26 167	25 650	43 884
Total Repairs and Maintenance Expenditure	64 845	114 414	150 358	162 268	162 268	162 268	121 077	126 814	150 794



During the compilation of the 2015/16 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure. As part of the 2015/16 MTREF this strategic imperative remains a priority as can be seen by the budget appropriations over the MTREF. In relation to the total operating expenditure, repairs and maintenance comprises on average 12,8 per cent of the budget over the respective financial years of the MTREF.

The table below provides a breakdown of the repairs and maintenance in relation to asset classes:

Table 14 Repairs and maintenance per asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	43 120	87 048	129 145	136 752	136 752	136 752	111 449	117 865	133 341
Infrastructure - Road transport	25 843	42 236	63 749	68 540	68 540	68 540	57 090	60 842	64 540
Roads, Pavements & Bridges	25 231	39 790	60 016	62 232	62 232	62 232	51 401	54 748	58 088
Storm water	611	2 446	3 732	6 308	6 308	6 308	5 689	6 094	6 452
Infrastructure - Electricity	4 601	14 105	20 488	25 491	25 491	25 491	16 835	17 340	23 891
Generation									
Transmission & Reticulation	4 601	14 105	20 488	25 491	25 491	25 491	16 835	17 340	23 891
Street Lighting									
Infrastructure - Water	6 892	21 502	27 931	26 775	26 775	26 775	22 874	24 001	24 393
Dams & Reservoirs	52	80							
Water purification	1 709	1 963							
Reticulation	5 132	19 459	27 931	26 775	26 775	26 775	22 874	24 001	24 393
Infrastructure - Sanitation	4 568	7 708	15 486	14 146	14 146	14 146	12 159	12 963	16 387
Reticulation	3 687	6 623							
Sewerage purification	882	1 085	15 486	14 146	14 146	14 146	12 159	12 963	16 387
Infrastructure - Other	1 215	1 499	1 491	1 800	1 800	1 800	2 492	2 719	4 130
Waste Management	1 215	1 499	1 491	1 800	1 800	1 800	2 492	2 719	4 130
Community	6 012	5 408	7 349	9 298	9 298	9 298	4 546	4 391	8 211
Investment properties	270	-	-	-	-	-	-	-	-
Other assets	15 443	21 958	13 864	16 218	16 218	16 218	5 081	4 559	9 203
Total Repairs and Maintenance Expenditure	64 845	114 414	150 358	162 268	162 268	162 268	121 077	126 814	150 754
R&M as a % of PPE	2.1%	3.7%	4.0%	5.3%	5.2%	5.2%	3.9%	4.1%	4.9%
R&M as % Operating Expenditure	8.7%	15.2%	18.1%	18.7%	17.4%	17.4%	12.4%	12.2%	13.7%

For the 2015/16 financial year, 12,4 per cent or R121m of the total budget will be spent on repairs and maintenance, of which R114,5m is for infrastructure. Roads infrastructure has received a significant proportion of the infrastructure allocation totalling 51,2 per cent (R57m), followed by water at 20,5 per cent (R22,9m) and electricity at 14,7 per cent (R16,8m).

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are indigent/poor or face other circumstances that limit their ability to pay for services. To receive these free/subsidised services the households are required to register in terms of the Municipality's Indigent Policy. The current indigent households amount to approximately 6 700 and is reviewed monthly. Details relating to free services and basic service delivery measurement is contained in Table 26 MBRR A10 (Basic Service Delivery Measurement) on page 41.



The cost of the social package of the registered indigent households is fully covered by the local government equitable share received in terms of the annual Division of Revenue Act.

Table 15 MBRR Table SA21 – Transfers and grants made by the municipality

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
<u>Cash Transfers to other municipalities</u> <i>Insert description</i>									
Total Cash Transfers To Municipalities:	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to other Organs of State</u> <i>Insert description</i>									
Total Cash Transfers To Other Organs Of State:	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Organisations</u>									
Grant-in-aid	370	398	451	-	-	-	278	295	313
Badisa				30	30	30			
Overstrand Association for People with Disabilities				8	8	8			
Ikamva				10	10	10			
Overstrand Conservation Foundation				25	25	25			
Hermanus Botanical Society				20	20	20			
Kleinmond Child Welfare				15	15	15			
Overstrand Hospice				28	28	28			
Hanglip Community Care Centre				15	15	15			
Recycle Swap Shop				10	10	10			
Siyazama Service Centre for the Aged				20	20	20			
Overberg Wheelchair Association				20	20	20			
Overstrand Arts				20	20	20			
National Sea Rescue Institute				47	47	47			
S.H.A.R.E				10	10	10			
Tourism Bureau's							1 649	1 747	1 852
Total Cash Transfers To Organisations	370	398	451	278	278	278	1 927	2 043	2 185
<u>Cash Transfers to Groups of Individuals</u>									
<u>Low income house-hold subsidies</u>	28 084	35 458	38 298	41 092	41 390	41 390	46 570	52 624	60 079
Total Cash Transfers To Groups Of Individuals:	28 084	35 458	38 298	41 092	41 390	41 390	46 570	52 624	60 079
TOTAL CASH TRANSFERS AND GRANTS	28 454	35 856	38 749	41 370	41 668	41 668	48 497	54 667	62 244

The policy for Grants-in-aid to organisations has been revised and approved by Council. Detailed allocations for the 2015/2016 budget will be reflected after the completion of the application and allocation process.



1.6 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 16 2015/16 Medium-term capital budget per vote

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1	Budget Year +2
R thousand									
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	-	-	5 000	4 939	3 565	3 565	21 911	4 600	4 000
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	-	-	-	-	-	11 451	3 000	3 000
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	-	-	5 000	4 939	3 565	3 565	33 362	7 500	7 000
Single-year expenditure to be appropriated									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	928	1 274	1 790	2 548	2 534	2 534	2 528	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	118 308	110 111	74 622	71 999	92 038	92 038	56 809	72 106	79 551
Vote 6 - Local Economic Development	-	945	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	42 394	31 434	49 518	18 235	19 450	19 450	10 920	15 000	17 000
Vote 8 - Protection Services	645	-	-	-	-	-	255	-	-
Capital single-year expenditure sub-total	163 275	143 764	125 930	92 781	114 022	114 022	70 552	87 106	96 551
Total Capital Expenditure - Vote	163 275	143 764	130 930	97 721	117 588	117 588	103 914	94 606	103 551

For 2015/16 an amount of R91,4m has been appropriated for the development of infrastructure which represents 88 per cent of the total capital budget of R103,9m. In the outer years this amount totals R80m, 84,5 per cent and R92,7m, 89,5 per cent respectively for each of the outer financial years. For services infrastructure, electricity infrastructure receives the highest allocation of R21,7m in 2015/16 followed by water at R16,4 million and roads at R12,1 million. Over the MTREF, capital housing grant expenditure relating to housing provision infrastructure, amounts to R109 million.

Further detail relating to asset classes and proposed capital expenditure is contained in Table 25 MBRR A9 (Asset Management) on page 39. In addition to the MBRR Table A9, MBRR Tables SA34a, b, & c provides a detailed breakdown of the capital programme relating to new asset construction, capital asset renewal as well as operational repairs and maintenance by asset class (refer to pages 84, 85 and 86). Some of the salient projects to be undertaken during 2015/2016 includes, amongst others:

Project Description	Amount
ZWELIHLE ADMIN SITE - 164 SITES	9 864 644
REPLACEMENT OF OVERSTRAND WATER PIPES	9 652 800
ELECTRIFICATION OF LOW COST HOUSING AREAS (INEP)	8 000 000
ZWELIHLE SITE C2 - 132 SITES	7 939 836
REHABILITATE ROADS AND UPGRADE STORMWATER	6 375 527
ZWELIHLE MANDELA SQUARE -83 SITES	4 685 648
REHABILITATION OF EXISTING PAVE ROAD (LIC)	4 200 000
OVERHILLS:KLEINMOND SOCCERFIELD	4 157 615
NEW 1 ML/S RESERVOIR OHW.B31	3 566 328
UPGRADING OF PUMPSTATIONS	3 547 200
MOUNT PLEASANT IRDP	3 514 600
SWARTDAMROAD IRDP	3 310 656



STANFORD - SEWER NETWORK EXTENSION	3 000 000
KLEINMOND LIBRARY UPGRADE	3 000 000
GANSBAAI: MINISUB AND MV/LV UPGRADE	2 700 000
FRANSKRAAL, KLEINBAAI & BIRKENHEAD: MV/LV AND MINISUB UPGRADE	2 600 000
UPGRADE STORMWATER - INTERNAL & EXTERNAL	2 476 500
REFURBISH BUFFELS RIVER DAM BRIDGE AND TOWER & PALMIET RIVER WEIR	2 000 000

Furthermore, pages 89 to 91 and Annexure E contains a detailed breakdown of the capital budget per project over the medium-term.

With the 2011/2012 adjustment budget, projects to be funded from the sale of land (Sandbaai commonage land), were postponed to future capital budgets dependent on the successful sale of the land. It is Council's policy not to include projects in the next budget approval until the funds from the sale has been deposited in the Council's bank account. As this money has not been received, these projects are not included in the 2015/2016 capital budget.

1.6.1 Future operational cost of new infrastructure

At this point in time information is not readily available to include reliable information in Table 71 MBRR SA35 on page 88. A long term financial plan and implementation policy is in the process of being developed and implemented to encompass costs over the long term. It needs to be noted that as part of the 2015/16 MTREF, this expenditure has been factored into the two outer years of the operational budget.

1.7 Annual Budget Tables

The following twenty pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2015/16 final budget and MTREF to be considered and approved and/or noted by the Council. Each table is accompanied by *explanatory notes* on the facing page.



Table 17 MBRR Table A1 - Budget Summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousands									
Financial Performance									
Property rates	109 838	121 571	135 633	149 690	154 559	154 559	163 621	174 288	186 551
Service charges	405 415	436 439	479 253	525 567	525 567	525 567	566 784	612 478	662 296
Investment revenue	6 881	7 555	6 352	6 166	6 166	6 166	6 348	6 348	6 348
Transfers recognised - operational	38 005	41 680	67 835	58 407	61 289	61 289	90 324	107 886	97 173
Other own revenue	37 344	96 627	47 302	44 644	62 770	62 770	67 957	72 224	76 942
Total Revenue (excluding capital transfers and contributions)	597 482	703 871	736 375	784 474	810 351	810 351	895 035	973 222	1 028 409
Employee costs	207 938	231 642	260 645	280 065	276 217	276 217	291 593	305 408	323 583
Remuneration of councillors	6 717	7 084	7 933	8 516	8 516	8 516	8 674	9 192	9 741
Depreciation & asset impairment	104 041	104 408	99 361	109 265	105 461	105 461	111 362	118 043	125 126
Finance charges	31 727	37 331	39 927	45 162	44 480	44 480	46 895	46 780	47 279
Materials and bulk purchases	181 251	157 462	170 660	186 739	186 739	186 739	251 374	290 769	306 221
Transfers and grants	28 454	35 856	38 749	41 370	41 668	41 668	48 497	54 567	62 244
Other expenditure	162 395	178 287	214 757	198 469	270 222	270 222	206 135	212 634	224 099
Total Expenditure	742 525	752 070	832 022	869 588	933 322	933 322	964 529	1 037 493	1 098 292
Surplus/(Deficit)	(145 043)	(48 199)	(95 646)	(85 115)	(122 971)	(122 971)	(69 494)	(64 271)	(69 883)
Transfers recognised - capital	54 833	53 809	38 090	34 234	55 498	55 498	63 354	60 876	73 561
Contributions recognised - capital & contributed assets	8 603	5 289	12 542	2 134	2 051	2 051	1 000	-	-
Surplus/(Deficit) after capital transfers & contributions	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679
Share of surplus/(deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679
Capital expenditure & funds sources									
Capital expenditure	163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 606	103 561
Transfers recognised - capital	54 833	53 809	38 090	36 368	55 498	55 498	64 354	60 876	73 561
Public contributions & donations	14 300	5 067	7 985	-	1 936	1 936	462	-	-
Borrowing	73 964	67 544	70 534	45 923	48 770	48 770	32 346	30 000	30 000
Internally generated funds	20 178	17 345	14 222	14 430	15 582	15 582	6 753	3 730	-
Total sources of capital funds	163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 606	103 561
Financial position									
Total current assets	230 033	205 668	175 465	197 146	208 517	208 517	207 920	236 802	286 395
Total non current assets	3 209 100	3 290 140	3 302 111	3 316 479	3 332 776	3 332 776	3 320 511	3 302 983	3 287 443
Total current liabilities	137 580	160 331	148 801	153 849	153 113	153 113	174 459	178 435	201 387
Total non current liabilities	452 301	483 951	520 970	549 267	593 707	593 707	617 668	628 376	636 734
Community wealth/Equity	2 849 252	2 851 526	2 807 805	2 810 509	2 794 472	2 794 472	2 736 314	2 732 985	2 736 717
Cash flows									
Net cash from (used) operating	96 981	75 920	76 616	80 014	126 678	126 676	110 861	125 532	152 720
Net cash from (used) investing	(151 774)	(146 955)	(130 368)	(103 533)	(128 597)	(128 597)	(110 144)	(100 523)	(109 575)
Net cash from (used) financing	109 489	28 482	32 754	27 153	28 183	28 183	7 409	4 515	1 659
Cash/cash equivalents at the year end	126 699	84 147	63 158	86 050	89 421	89 421	97 547	127 071	171 875
Cash backing/surplus reconciliation									
Cash and investments available	132 391	95 744	80 123	110 257	111 628	111 628	126 001	161 465	212 284
Application of cash and investments	2 373	6 388	(16 024)	(16 563)	(32 522)	(32 522)	8 224	13 360	30 132
Balance - surplus (shortfall)	130 018	89 356	96 147	126 920	144 149	144 149	117 777	148 095	182 152
Asset management									
Asset register summary (VDV)	3 181 234	3 277 435	3 280 777	3 254 715	3 310 512	3 310 512	3 292 016	3 268 579	3 247 014
Depreciation & asset impairment	104 041	104 408	99 361	109 265	105 461	105 461	111 362	118 043	125 126
Renewal of Existing Assets	-	4 147	47 032	28 139	32 838	32 838	20 758	21 000	6 500
Repairs and Maintenance	64 845	114 414	150 358	162 268	163 071	163 071	121 077	126 814	150 754
Free services									
Cost of Free Basic Services provided	28 084	32 049	34 509	41 716	41 716	41 716	48 296	52 358	56 767
Revenue cost of free services provided	82 641	77 796	74 679	75 253	75 253	75 253	88 909	95 819	103 302
Households below minimum service level									
Water	-	-	-	-	-	-	-	-	-
Sanitation/sewerage	-	-	-	-	-	-	-	-	-
Energy	-	-	-	1	1	1	-	-	-
Refuse	-	-	-	-	-	-	-	-	-



Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's service delivery and commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus, after excluding non-cash expenditure, is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
 - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive and stable indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that the cash increases over the MTREF.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.



Table 18 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue - Standard									
<i>Governance and administration</i>	167 928	232 385	199 504	231 071	232 413	232 413	255 994	272 264	292 533
Executive and council	31 483	38 355	42 355	52 442	52 442	52 442	64 861	72 528	79 858
Budget and treasury office	127 745	137 728	150 786	169 095	170 420	170 420	180 339	191 921	204 338
Corporate services	8 700	56 303	6 363	9 534	9 551	9 551	10 795	7 816	8 338
<i>Community and public safety</i>	23 195	50 862	71 418	33 726	78 422	78 422	101 843	124 937	118 869
Community and social services	2 574	2 990	2 574	2 402	2 402	2 402	4 657	9 004	9 508
Sport and recreation	6 609	7 765	11 427	9 565	9 191	9 191	11 942	14 042	14 766
Public safety	10 048	20 142	28 300	13 184	36 094	36 094	37 678	39 164	40 802
Housing	3 965	19 965	29 116	8 576	30 735	30 735	47 567	62 726	53 793
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	12 963	18 567	30 962	13 939	16 496	16 496	20 033	10 931	13 254
Planning and development	8 801	7 907	12 853	8 465	8 550	8 550	9 043	8 120	8 932
Road transport	3 863	10 595	17 790	5 397	7 869	7 869	10 890	2 700	4 200
Environmental protection	299	65	319	76	76	76	101	110	121
<i>Trading services</i>	456 833	461 155	485 124	542 106	540 568	540 568	581 518	625 966	677 315
Electricity	229 498	249 845	270 880	313 388	312 305	312 305	346 361	375 057	413 162
Water	106 189	96 325	96 086	96 872	96 872	96 872	106 211	113 026	120 078
Waste water management	79 550	68 428	65 091	72 155	71 106	71 106	69 402	74 765	77 229
Waste management	39 605	46 758	53 066	59 691	60 286	60 286	59 544	63 118	66 906
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	660 918	762 969	787 007	820 842	867 900	867 900	959 389	1 034 098	1 101 971
Expenditure - Standard									
<i>Governance and administration</i>	190 332	205 348	119 512	127 368	124 670	124 670	237 278	248 313	267 049
Executive and council	58 811	67 621	71 355	66 867	68 003	68 003	92 565	98 337	108 547
Budget and treasury office	48 679	51 399	23 830	24 503	25 398	25 398	69 750	71 154	75 197
Corporate services	82 842	86 328	24 327	35 998	31 269	31 269	74 963	78 822	83 305
<i>Community and public safety</i>	124 992	87 288	134 133	113 536	136 344	136 344	141 933	158 237	146 267
Community and social services	24 079	26 093	30 255	32 563	32 499	32 499	31 368	33 034	35 198
Sport and recreation	15 378	14 271	18 637	22 245	20 744	20 744	18 220	19 390	20 550
Public safety	31 241	42 651	56 923	49 173	73 288	73 288	69 453	72 280	75 270
Housing	54 294	4 273	28 318	9 554	9 812	9 812	22 892	33 533	15 249
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	116 245	113 012	130 335	139 514	138 641	138 641	132 046	137 946	145 918
Planning and development	35 519	36 280	30 370	37 314	36 945	36 945	40 308	40 867	43 282
Road transport	75 715	71 106	92 659	95 166	94 492	94 492	84 786	89 863	94 986
Environmental protection	5 011	5 624	7 306	7 035	7 204	7 204	6 952	7 217	7 651
<i>Trading services</i>	310 956	346 423	448 042	489 171	533 668	533 668	453 273	492 997	539 058
Electricity	177 473	198 933	247 853	272 386	272 466	272 466	257 276	287 386	322 086
Water	53 445	61 422	99 439	93 157	90 979	90 979	79 253	81 294	85 130
Waste water management	42 466	45 965	64 659	67 138	69 170	69 170	63 478	67 214	71 597
Waste management	37 573	40 102	36 085	56 489	101 052	101 052	54 264	57 103	60 245
Other	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	742 525	752 070	832 022	869 588	933 322	933 322	964 529	1 037 493	1 098 292
Surplus/(Deficit) for the year	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679



Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification) - mSCOA – Function/Sub Function

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification, now Function/Sub Function, divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.



Table 19 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Revenue by Vote									
Vote 1 - Council	31 493	38 353	42 274	52 401	52 401	52 401	64 808	72 470	79 794
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	1 264	1 478	1 286	2 410	1 844	1 844	991	1 018	1 054
Vote 4 - Finance	127 745	137 729	150 796	160 035	170 420	170 420	180 339	191 921	204 338
Vote 5 - Community Services	245 501	253 932	276 626	253 629	288 171	288 171	272 957	284 007	300 538
Vote 6 - Local Economic Development	2 817	3 750	6 431	2 968	2 968	2 968	3 091	1 573	1 730
Vote 7 - Infrastructure & Planning	242 061	307 588	291 304	326 955	318 002	318 002	399 527	443 945	473 675
Vote 8 - Protection Services	10 048	20 142	28 300	13 184	36 094	36 094	37 876	39 154	40 902
Total Revenue by Vote	660 918	762 969	787 007	820 842	867 900	867 900	959 389	1 034 398	1 101 971
Expenditure by Vote to be appropriated									
Vote 1 - Council	55 945	64 385	66 239	63 269	64 228	64 228	71 496	78 840	87 621
Vote 2 - Municipal Manager	2 872	3 243	1 295	1 003	780	780	4 489	3 643	3 865
Vote 3 - Management Services	32 795	30 890	5 492	15 189	13 315	13 315	43 327	45 629	48 384
Vote 4 - Finance	48 679	51 399	23 830	24 503	25 398	25 398	69 750	71 154	75 197
Vote 5 - Community Services	332 230	296 939	364 516	386 585	380 465	380 465	341 492	371 463	382 545
Vote 6 - Local Economic Development	5 845	7 722	9 945	11 140	10 915	10 915	8 731	7 464	7 931
Vote 7 - Infrastructure & Planning	232 916	264 641	271 762	318 607	364 933	364 933	355 793	387 020	407 279
Vote 8 - Protection Services	31 241	42 651	58 923	49 173	73 288	73 288	69 453	72 280	75 270
Total Expenditure by Vote	742 525	752 070	832 022	869 588	933 322	933 322	964 529	1 037 493	1 098 292
Surplus/(Deficit) for the year	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679



Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote) – mSCOA – Own Segment

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote (directorate). This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.
2. This table represents the main budget vote approval of the operational budget.



Table 20 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue By Source									
Property rates	108 913	120 799	134 813	148 640	153 509	153 509	162 730	173 308	184 573
Property rates - penalties & collection charges	925	772	821	1 050	1 050	1 050	891	980	1 078
Service charges - electricity revenue	224 950	247 663	268 362	310 085	310 085	310 085	338 877	371 835	407 747
Service charges - water revenue	83 755	85 343	95 136	95 897	95 897	95 897	102 045	107 700	113 691
Service charges - sanitation revenue	57 212	56 895	62 798	63 455	63 455	63 455	66 375	70 081	74 010
Service charges - refuse revenue	39 498	46 637	52 957	56 130	56 130	56 130	59 488	63 061	66 849
Service charges - other									
Rental of facilities and equipment	6 743	7 212	7 591	7 966	7 966	7 966	11 859	12 953	14 175
Interest earned - external investments	6 881	7 555	8 352	6 166	6 166	6 166	6 348	6 348	6 348
Interest earned - outstanding debtors	2 331	2 199	2 118	2 288	2 288	2 288	2 437	2 660	2 948
Dividends received									
Fines	5 278	14 344	22 739	7 965	30 875	30 875	31 899	32 796	33 763
Licences and permits	1 786	1 968	1 956	2 229	2 229	2 229	2 190	2 408	2 649
Agency services	1 912	2 025	2 395	2 460	2 480	2 480	2 370	3 267	3 594
Transfers recognised - operational	38 005	41 680	67 835	58 407	61 289	61 289	90 324	107 886	97 173
Other revenue	17 375	68 978	10 504	21 717	16 933	16 933	16 643	18 150	19 812
Gains on disposal of PPE	1 920								
Total Revenue (excluding capital transfers and contributions)	597 482	703 871	738 376	784 474	810 351	810 351	895 035	973 222	1 028 409
Expenditure By Type									
Employee related costs	207 938	231 842	260 645	280 096	276 217	276 217	291 593	306 408	323 583
Remuneration of councillors	8 717	7 084	7 933	8 516	8 516	8 516	8 674	9 192	9 741
Debt impairment	28	6 668	12 526		22 752	22 752	22 792	22 792	22 792
Depreciation & asset impairment	104 041	104 408	99 361	109 265	105 461	105 461	111 362	118 043	125 126
Finance charges	31 727	37 331	39 927	45 162	44 480	44 480	46 895	48 780	47 279
Bulk purchases	126 669	145 022	157 055	169 444	169 444	169 444	193 573	221 138	252 628
Other materials	54 582	12 441	13 595	17 295	17 315	17 315	57 801	69 631	53 593
Contracted services	24 079	67 897	72 754	81 062	82 467	82 467	125 322	129 122	135 442
Transfers and grants	28 454	35 856	38 749	41 370	41 668	41 668	48 497	54 667	62 244
Other expenditure	158 290	102 146	117 460	117 407	164 963	164 963	58 021	61 721	65 866
Loss on disposal of PPE	1 756		12 017						
Total Expenditure	742 525	752 070	832 022	869 586	933 322	933 322	964 529	1 037 493	1 098 292
Surplus/(Deficit)	(145 043)	(48 199)	(93 646)	(85 115)	(122 971)	(122 971)	(69 494)	(64 271)	(69 883)
Transfers recognised - capital	54 833	53 909	38 090	34 234	55 498	55 498	63 354	60 876	73 561
Contributions recognised - capital	8 603	5 289	7 871	2 134	2 051	2 051	1 000		
Contributed assets			4 671						
Surplus/(Deficit) after capital transfers & contributions	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679
Taxation									
Surplus/(Deficit) after taxation	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679
Share of surplus/(deficit) of associate									
Surplus/(Deficit) for the year	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679



Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R810,4 million in 2014/2015 and increase to R895 million in 2015/16. This represents a year-on-year increase of 10,5 per cent for the 2015/16 financial year.
2. Revenue to be generated from property rates is R153,5 million in the 2014/2015 financial year and increases to R162,7 million by 2015/16 which represents 18,2 per cent of the operating revenue base of the Municipality and therefore remains a significant funding source for the municipality.
3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the Municipality totalling R525,5 million for the 2014/2015 financial year and increasing to R566,8 million by 2015/16. For the 2015/16 financial year services charges amount to 63,3 per cent of the total revenue base.
4. Transfers recognised – operating grants includes the local government equitable share and other operating grants from national and provincial government.
5. The following graph illustrates the major expenditure items by type.

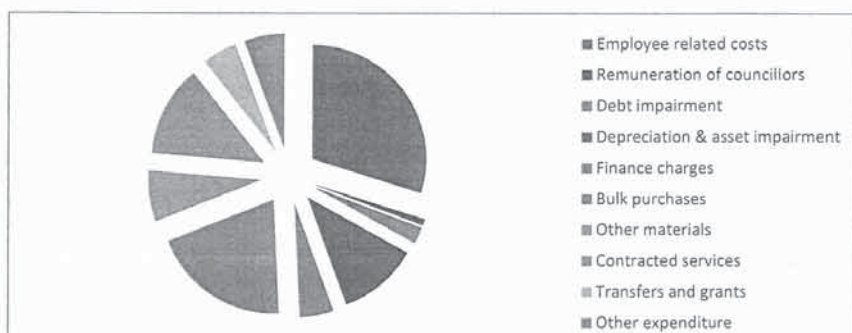


Figure 2 Expenditure by major type

6. Bulk purchases have significantly increased over the 2011/12 to 2017/18 period escalating from R127 million to R253 million. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom.
7. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

Table 21 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	-	-	5 000	4 939	3 565	3 565	21 911	4 500	4 000
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	-	-	-	-	-	11 451	3 000	3 000
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	-	-	5 000	4 939	3 565	3 565	33 362	7 500	7 000
Single-year expenditure to be appropriated									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	928	1 274	1 790	2 548	2 534	2 534	2 528	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	119 308	110 111	74 622	71 999	92 038	92 038	56 809	72 106	79 561
Vote 6 - Local Economic Development	-	945	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	42 394	31 434	49 518	18 235	19 450	19 450	10 920	15 000	17 000
Vote 8 - Protection Services	645	-	-	-	-	-	295	-	-
Capital single-year expenditure sub-total	163 275	143 764	125 930	92 781	114 022	114 022	70 552	87 106	96 561
Total Capital Expenditure - Vote	163 275	143 764	130 930	97 721	117 588	117 588	103 914	94 606	103 561
Capital Expenditure - Standard									
Governance and administration	24 047	7 154	21 308	16 815	17 776	17 776	2 648	3 730	-
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	-	-	-	-	-	-	-	-	-
Corporate services	24 047	7 154	21 308	16 815	17 776	17 776	2 648	3 730	-
Community and public safety	3 319	7 268	19 582	21 205	42 622	42 622	39 768	45 550	55 174
Community and social services	327	4 666	3 482	5 635	5 595	5 595	3 520	4 000	4 000
Sport and recreation	1 531	2 601	5 696	3 080	2 616	2 616	5 981	6 800	6 800
Public safety	645	-	-	-	-	-	295	-	-
Housing	817	-	10 404	12 480	34 410	34 410	29 973	34 750	44 374
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	8 340	25 552	16 051	5 400	6 300	6 300	12 128	4 000	4 000
Planning and development	2 863	945	-	-	-	-	25	-	-
Road transport	5 477	24 607	16 051	5 400	6 300	6 300	12 103	4 000	4 000
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	127 569	103 790	73 989	54 300	56 087	56 087	49 370	41 326	44 387
Electricity	30 061	26 768	37 115	17 000	17 000	17 000	21 726	14 000	16 000
Water	57 384	50 766	23 831	12 800	16 384	16 384	15 390	14 726	15 787
Waste water management	38 927	20 728	10 202	14 300	13 403	13 403	11 244	12 500	12 600
Waste management	196	5 528	3 041	10 200	9 300	9 300	10	-	-
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 606	103 561
Funded by:									
National Government	40 212	36 911	6 339	24 174	23 608	23 608	30 347	26 126	29 187
Provincial Government	14 521	16 898	31 751	10 060	31 890	31 890	33 007	34 750	44 374
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	2 134	1 000	1 000	1 000	-	-
Transfers recognised - capital	54 833	53 809	38 090	36 368	56 498	56 498	64 354	60 876	73 561
Public contributions & donations	14 300	5 067	7 965	-	1 936	1 936	462	-	-
Borrowing	73 964	67 544	70 634	46 923	48 770	48 770	32 346	30 000	30 000
Internally generated funds	20 178	17 345	14 222	14 430	15 582	15 582	6 753	3 730	-
Total Capital Funding	163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 606	103 561



Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. The capital expenditure amounts to R103,9 million in 2015/16.
3. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality.
4. The capital programme is funded from national and provincial grants and transfers, public contributions and donations, borrowing and internally generated funds from previous year surpluses. For 2015/16, capital transfers totals R64,3 million. Borrowing has been provided at R30 million, finance leases (nil), internally generated funding totaling R6,7 million and roll over funding amounting to R5,4 million. These funding sources are further discussed in detail in paragraph 2.6 (Overview of Budget Funding).



Table 22 MBRR Table A6 - Budgeted Financial Position

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
ASSETS									
Current assets									
Cash	51 699	29 106	13 119	88 050	89 421	89 421	97 547	127 071	171 875
Call investment deposits	75 000	55 042	50 039	—	—	—	—	—	—
Consumer debtors	50 361	49 025	47 451	52 591	52 591	52 591	51 774	56 341	61 151
Other debtors	36 501	52 222	51 704	44 398	55 398	55 398	44 112	38 172	37 391
Current portion of long-term receivables	25	17	15	14	14	14	13	11	10
Inventory	16 446	20 257	13 137	12 092	11 092	11 092	14 483	15 207	15 968
Total current assets	230 833	205 668	175 465	197 145	208 517	208 517	207 929	236 802	286 295
Non current assets									
Long-term receivables	126	84	68	57	57	57	41	30	20
Investments	5 091	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
Investment property	104 673	175 866	164 501	175 866	164 501	164 501	164 501	164 501	164 501
Investment in Associate	—	—	—	—	—	—	—	—	—
Property, plant and equipment	3 073 014	3 097 120	3 111 056	3 072 423	3 140 791	3 140 791	3 122 147	3 099 677	3 079 080
Agricultural	—	—	—	—	—	—	—	—	—
Biological	—	—	—	—	—	—	—	—	—
Intangible	3 547	4 449	5 220	6 426	5 220	5 220	5 368	4 401	3 433
Other non-current assets	22 049	1 025	4 301	39 500	—	—	—	—	—
Total non current assets	3 209 100	3 290 140	3 302 111	3 316 479	3 332 778	3 332 776	3 320 511	3 302 993	3 287 443
TOTAL ASSETS	3 439 933	3 495 808	3 477 576	3 513 625	3 541 293	3 541 293	3 528 441	3 539 795	3 573 738
LIABILITIES									
Current liabilities									
Bank overdraft	—	—	—	—	—	—	—	—	—
Borrowing	16 798	18 241	20 443	25 105	25 064	25 064	28 113	30 730	34 370
Consumer deposits	31 206	34 932	37 751	41 321	41 321	41 321	43 801	46 428	49 215
Trade and other payables	67 728	79 489	64 943	55 831	50 563	50 563	74 229	70 679	84 789
Provisions	21 847	27 670	25 663	31 592	36 166	36 166	28 317	30 597	33 013
Total current liabilities	137 580	160 331	148 801	153 849	153 113	153 113	174 459	178 435	201 387
Non current liabilities									
Borrowing	341 204	364 632	392 444	411 766	412 829	412 829	416 969	415 269	419 593
Provisions	111 097	119 319	128 527	137 501	180 879	180 879	201 669	213 107	225 231
Total non current liabilities	452 301	483 951	520 970	549 267	593 707	593 707	617 668	628 376	645 734
TOTAL LIABILITIES	589 880	644 282	669 772	703 116	746 820	746 820	792 127	806 811	837 121
NET ASSETS	2 849 252	2 851 526	2 807 805	2 810 509	2 794 472	2 794 472	2 736 314	2 732 985	2 736 717
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	2 847 332	2 849 634	2 805 240	2 808 575	2 791 899	2 791 899	2 733 677	2 730 282	2 733 960
Reserves	1 920	1 891	2 565	1 934	2 573	2 573	2 637	2 703	2 757
Minorities' interests	—	—	—	—	—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2 849 252	2 851 526	2 807 805	2 810 509	2 794 472	2 794 472	2 736 314	2 732 985	2 736 717



Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is largely aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "accounting" Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table 62 is supported by an extensive table of notes (SA3 which can be found on page 98) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.



Table 23 MBRR Table A7 - Budgeted Cash Flow Statement

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates, penalties & collection charges	110 347	120 273	135 875	148 254	154 165	154 165	163 800	173 297	184 620
Service charges	397 229	437 061	483 167	522 072	524 216	524 216	567 409	608 975	658 596
Other revenue	69 894	41 689	63 975	46 516	63 257	63 257	76 884	75 476	74 750
Government - operating	37 750	44 140	63 477	58 407	61 289	61 289	90 324	107 886	97 173
Government - capital	54 833	54 577	38 090	36 368	57 549	57 549	64 364	60 676	73 561
Interest	9 211	9 754	8 470	8 454	8 454	8 454	8 784	9 028	9 296
Dividends							-	-	-
Payments									
Suppliers and employees	(520 159)	(558 519)	(637 833)	(653 525)	(656 105)	(656 105)	(765 303)	(808 560)	(835 753)
Finance charges	(31 669)	(37 199)	(39 858)	(45 162)	(44 480)	(44 480)	(46 895)	(46 780)	(47 279)
Transfers and Grants	(28 454)	(35 856)	(38 749)	(41 370)	(41 668)	(41 668)	(48 497)	(54 667)	(62 244)
NET CASH FROM/(USED) OPERATING ACTIVITIES	98 981	75 920	76 616	80 014	126 676	126 676	110 861	125 532	152 720
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	13 722	1 725	5 073	-	-	-	-	-	-
Decrease (increase) in non-current debtors	2 189	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	20	45	18	15	15	15	18	13	11
Decrease (increase) in non-current investments	(4 430)	(4 960)	(4 529)	(5 827)	(5 827)	(5 827)	(6 248)	(5 930)	(6 025)
Payments									
Capital assets	(163 275)	(143 764)	(130 930)	(97 721)	(122 785)	(122 785)	(103 914)	(94 606)	(103 561)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(151 774)	(146 955)	(130 368)	(103 533)	(128 597)	(128 597)	(110 144)	(100 523)	(108 575)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	940	(389)	(730)	5 520	6 541	6 541	(1 135)	(1 271)	(1 352)
Borrowing long term/refinancing	110 000	38 700	51 300	40 000	40 000	40 000	30 000	30 000	30 000
Increase (decrease) in consumer deposits	12 844	3 726	2 819	2 703	2 703	2 703	2 479	2 628	2 786
Payments									
Repayment of borrowing	(14 295)	(13 554)	(20 526)	(21 061)	(21 061)	(21 061)	(23 936)	(26 841)	(29 775)
NET CASH FROM/(USED) FINANCING ACTIVITIES	109 489	28 482	32 764	27 163	28 183	28 183	7 409	4 515	1 659
NET INCREASE/ (DECREASE) IN CASH HELD	56 696	(42 552)	(20 989)	3 644	26 262	26 262	8 126	29 524	44 804
Cash/cash equivalents at the year begin:	70 004	126 699	84 147	84 406	63 158	63 158	89 421	97 547	127 071
Cash/cash equivalents at the year end:	126 699	84 147	63 158	88 050	89 421	89 421	97 547	127 071	171 875



Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the expected cash levels of the Municipality increase steadily over the 2015/2016 to 2017/18 period.
4. The 2015/16 MTREF has been informed by the planning principle of ensuring adequate cash over the medium-term.
5. Cash and cash equivalents totals R97,5 million as at the end of the 2015/2016 financial year and increases to R171,8 million by 2017/18.



Table 24 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Cash and investments available									
Cash/cash equivalents at the year end	126 699	84 147	63 158	88 050	89 421	89 421	97 547	127 071	171 875
Other current investments > 90 days	0	-	0	-	-	-	0	(0)	0
Non current assets - Investments	5 691	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
Cash and investments available:	132 391	95 744	80 123	110 257	111 628	111 628	126 001	161 455	212 284
Application of cash and investments									
Unspent conditional transfers	4 555	7 783	3 425	-	-	-	-	-	-
Unspent borrowing	18 255	6 133	1 847	-	-	-	-	-	-
Statutory requirements									
Other working capital requirements	(28 049)	(21 016)	(40 826)	(40 803)	(57 301)	(57 301)	(22 868)	(23 728)	(13 035)
Other provisions									
Long term investments committed	5 691	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
Reserves to be backed by cash/investments	1 920	1 891	2 565	1 934	2 573	2 573	2 637	2 703	2 757
Total Application of cash and investments:	2 373	6 388	(16 024)	(16 663)	(32 522)	(32 522)	8 224	13 360	30 132
Surplus(shortfall)	130 018	89 356	96 147	126 920	144 149	144 149	117 777	148 095	182 152



Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. As part of the budgeting and planning guidelines that informed the compilation of the 2015/16 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.
5. As can be seen the budget has been modelled to ensure that the budget is funded.



Table 25 MBRR Table A9 - Asset Management

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
CAPITAL EXPENDITURE									
Total New Assets	193 270	129 817	83 899	89 581	89 946	89 946	83 158	73 606	97 061
Infrastructure - Road transport	12 754	15 578	9 503	800	1 332	1 332	14 979	5 000	5 000
Infrastructure - Electricity	30 061	22 203	24 169	13 900	13 900	13 900	21 726	9 900	9 900
Infrastructure - Water	57 384	48 634	7 300	—	580	580	4 737	4 726	11 787
Infrastructure - Sanitation	32 650	16 478	8 449	9 600	8 802	8 802	3 420	5 100	10 500
Infrastructure - Other	196	5 359	1 400	10 200	9 300	9 300	10	—	—
Infrastructure - Community	133 045	108 252	59 511	24 500	24 002	24 002	44 873	24 329	41 807
Heritage assets	6 183	20 997	13 896	18 286	38 167	38 167	35 811	45 550	55 174
Investment properties	—	—	—	—	—	—	—	—	—
Other assets	—	—	795	—	—	—	—	—	—
Agricultural Assets	23 118	9 038	18 697	16 815	17 776	17 776	2 673	3 730	—
Biological assets	—	—	—	—	—	—	—	—	—
Intangibles	928	1 330	—	—	—	—	—	—	—
Total Renewal of Existing Assets	—	4 147	47 032	28 128	32 838	32 838	20 758	21 000	8 580
Infrastructure - Road transport	—	131	8 892	5 400	9 300	9 300	—	—	—
Infrastructure - Electricity	—	—	12 956	3 100	3 100	3 100	—	5 500	1 500
Infrastructure - Water	—	—	16 331	12 800	15 805	15 805	11 653	10 200	4 000
Infrastructure - Sanitation	—	—	1 711	3 900	3 179	3 179	4 947	5 500	1 000
Infrastructure - Other	—	—	1 641	—	—	—	—	—	—
Infrastructure - Community	—	131	39 529	25 200	28 384	28 384	18 600	21 000	6 500
Community	—	756	5 688	2 939	4 454	4 454	4 158	—	—
Heritage assets	—	—	—	—	—	—	—	—	—
Investment properties	—	—	—	—	—	—	—	—	—
Other assets	—	3 260	1 817	—	—	—	—	—	—
Agricultural Assets	—	—	—	—	—	—	—	—	—
Biological assets	—	—	—	—	—	—	—	—	—
Intangibles	—	—	—	—	—	—	—	—	—
Total Capital Expenditure	12 754	15 709	16 094	8 200	7 632	7 632	14 979	5 000	5 000
Infrastructure - Road transport	30 061	22 203	37 115	17 000	17 000	17 000	21 726	14 000	16 000
Infrastructure - Electricity	57 384	48 634	23 631	12 900	16 384	16 384	16 990	14 726	15 787
Infrastructure - Water	32 650	16 478	10 159	13 500	12 071	12 071	8 367	11 600	11 600
Infrastructure - Sanitation	196	5 359	3 041	10 200	9 300	9 300	10	—	—
Infrastructure - Other	133 045	108 252	60 040	39 700	42 387	42 387	61 473	45 328	48 387
Community	6 183	21 753	19 582	21 205	42 622	42 622	39 798	45 550	55 174
Heritage assets	—	—	—	—	—	—	—	—	—
Investment properties	—	—	795	—	—	—	—	—	—
Other assets	—	—	—	—	—	—	—	—	—
Agricultural Assets	23 118	12 258	20 513	16 815	17 776	17 776	2 673	3 730	—
Biological assets	—	—	—	—	—	—	—	—	—
Intangibles	928	1 330	—	—	—	—	—	—	—
TOTAL CAPITAL EXPENDITURE - Asset class	163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 606	103 561
ASSET REGISTER SUMMARY - PPE (NDV)									
Infrastructure - Road transport	846 061	947 141	942 269	906 551	907 352	907 352	925 942	915 933	909 563
Infrastructure - Electricity	600 736	609 815	619 999	620 545	621 764	621 764	620 094	612 727	606 077
Infrastructure - Water	419 500	458 648	459 954	453 857	459 276	459 276	453 842	450 864	448 838
Infrastructure - Sanitation	379 653	381 194	377 248	376 342	373 384	373 384	382 220	387 578	395 126
Infrastructure - Other	37 051	39 050	39 501	70 575	76 287	76 287	59 232	54 202	48 868
Infrastructure - Community	2 383 001	2 435 858	2 428 970	2 427 874	2 438 064	2 438 064	2 441 031	2 421 303	2 408 273
Community	81 364	58 783	62 814	98 257	106 034	106 034	63 654	66 637	69 391
Heritage assets	108 562	99 573	99 572	99 322	99 322	99 322	99 572	99 572	99 572
Investment properties	108 673	115 886	164 501	175 866	164 501	164 501	164 501	164 501	164 501
Other assets	500 097	502 908	500 700	456 970	497 371	497 371	517 890	512 165	501 844
Agricultural Assets	—	—	—	—	—	—	—	—	—
Biological assets	—	—	—	—	—	—	—	—	—
Intangibles	3 547	4 449	5 220	6 426	5 220	5 220	5 368	4 401	3 433
TOTAL ASSET REGISTER SUMMARY - PPE (NDV)	3 181 234	3 277 435	3 280 777	3 254 715	3 310 512	3 310 512	3 292 016	3 268 579	3 247 014
EXPENDITURE OTHER ITEMS									
Depreciation & asset impairment	104 041	104 408	99 261	109 265	105 401	105 401	111 362	118 043	125 128
Repairs and Maintenance by Asset Class	64 845	114 414	150 358	162 268	163 071	163 071	121 077	126 814	150 754
Infrastructure - Road transport	25 842	42 236	63 749	60 540	68 540	68 540	57 090	60 842	54 540
Infrastructure - Electricity	4 601	14 105	20 488	25 491	25 491	25 491	18 835	17 340	23 891
Infrastructure - Water	8 892	21 302	27 931	26 775	26 775	26 775	22 874	24 001	24 393
Infrastructure - Sanitation	4 568	7 708	15 485	14 146	14 146	14 146	12 159	12 963	16 387
Infrastructure - Other	2 215	1 499	1 491	1 800	1 800	1 800	2 402	2 719	1 430
Infrastructure - Community	43 120	87 648	129 145	136 752	136 752	136 752	117 449	117 863	133 341
Community	6 012	5 408	7 349	9 298	9 298	9 298	4 546	4 391	6 211
Heritage assets	—	—	—	—	—	—	—	—	—
Investment properties	270	—	—	—	—	—	—	—	—
Other assets	15 443	21 558	13 864	16 218	17 021	17 021	5 081	4 559	9 203
TOTAL EXPENDITURE OTHER ITEMS	168 886	218 821	249 719	271 533	268 532	268 532	232 439	244 857	275 880
Renewal of Existing Assets as % of total capex	0.0%	2.9%	35.9%	28.8%	26.7%	26.7%	20.0%	22.2%	6.3%
Renewal of Existing Assets as % of deprecn	0.0%	4.0%	47.3%	25.9%	31.1%	31.1%	18.8%	17.8%	5.2%
R&M as % of PPE	2.1%	3.7%	4.8%	5.3%	5.3%	5.2%	3.9%	4.1%	4.9%
Renewal and R&M as % of PPE	2.0%	4.0%	6.0%	6.0%	6.0%	6.0%	4.0%	5.0%	5.0%

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. The following graph provides an analysis between depreciation and operational repairs and maintenance over the MTREF.

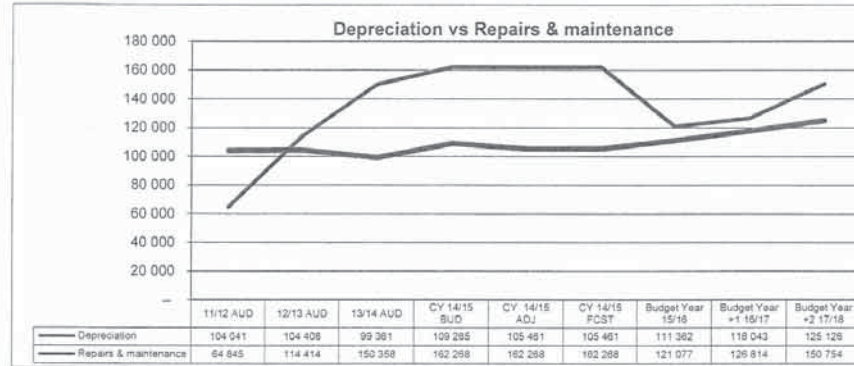


Figure 3 Depreciation in relation to repairs and maintenance over the MTREF



Table 26 MBRR Table A10 - Basic Service Delivery Measurement

Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Household service targets									
Water:									
Piped water inside dwelling	27 203	27 296	32 032	28 100	28 100	28 100	29 295	30 400	31 370
Piped water inside yard (but not in dwelling)	—	—	—	—	—	—	—	—	—
Using public tap (at least min.service level)	3 449	3 436	3 334	3 350	3 350	3 350	3 188	3 138	3 068
Other water supply (at least min.service level)	199	199	155	—	—	—	—	—	—
Minimum Service Level and Above sub-total	30 851	30 930	35 521	31 450	31 450	31 450	32 483	33 538	34 438
Using public tap (< min.service level)	—	—	—	—	—	—	—	—	—
Other water supply (< min.service level)	—	—	—	—	—	—	—	—	—
No water supply	—	—	—	—	—	—	—	—	—
Below Minimum Service Level sub-total	—	—	—	—	—	—	—	—	—
Total number of households	30 851	30 930	35 521	31 450	31 450	31 450	32 483	33 538	34 438
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	21 205	21 284	21 632	20 030	20 030	20 030	20 818	21 413	21 973
Flush toilet (with septic tank)	9 646	9 646	9 799	11 420	11 420	11 420	11 665	12 410	12 750
Chemical toilet	—	—	—	—	—	—	—	—	—
Pit toilet (ventilated)	—	—	—	—	—	—	—	—	—
Other toilet provisions (> min.service level)	—	—	—	—	—	—	—	—	—
Minimum Service Level and Above sub-total	30 851	30 930	31 431	31 450	31 450	31 450	32 483	33 823	34 703
Bucket toilet	—	—	—	—	—	—	—	—	—
Other toilet provisions (< min.service level)	—	—	—	—	—	—	—	—	—
No toilet provisions	—	—	—	—	—	—	—	—	—
Below Minimum Service Level sub-total	—	—	—	—	—	—	—	—	—
Total number of households	30 851	30 930	31 431	31 450	31 450	31 450	32 483	33 823	34 703
Energy:									
Electricity (at least min.service level)	6 420	7 315	7 136	8 700	6 625	6 625	6 114	5 603	5 052
Electricity - prepaid (min.service level)	13 478	14 090	15 458	17 700	18 379	18 379	19 245	20 132	21 024
Minimum Service Level and Above sub-total	21 898	21 998	23 594	26 400	25 004	25 004	25 354	25 735	26 116
Electricity (< min.service level)	—	—	—	—	—	—	—	—	—
Electricity - prepaid (< min.service level)	—	—	—	1 000	1 000	1 000	—	—	—
Other energy sources	—	—	—	—	—	—	—	—	—
Below Minimum Service Level sub-total	—	—	—	1 000	1 000	1 000	—	—	—
Total number of households	21 898	21 998	23 594	27 400	26 004	26 004	25 354	25 735	26 116
Refuse:									
Removed at least once a week	31 373	31 739	31 829	32 691	32 691	32 691	33 094	34 085	35 105
Minimum Service Level and Above sub-total	31 373	31 739	31 829	32 691	32 691	32 691	33 094	34 085	35 105
Removed less frequently than once a week	—	—	—	—	—	—	—	—	—
Using communal refuse dump	—	—	—	—	—	—	—	—	—
Using own refuse dump	—	—	—	—	—	—	—	—	—
Other rubbish disposal	—	—	—	—	—	—	—	—	—
No rubbish disposal	—	—	—	—	—	—	—	—	—
Below Minimum Service Level sub-total	—	—	—	—	—	—	—	—	—
Total number of households	31 373	31 739	31 829	32 691	32 691	32 691	33 094	34 085	35 105
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	25 310	25 406	6 543	6 700	6 700	6 700	6 650	6 650	6 650
Sanitation (free minimum level services)	5 852	6 423	6 543	6 700	6 700	6 700	6 650	6 650	6 650
Electricity/other energy (50kwh per household per month)	5 852	6 423	6 543	4 785	4 785	4 785	6 650	6 650	6 650
Refuse (removed at least once a week)	5 852	6 423	6 543	6 700	6 700	6 700	6 650	6 650	6 650
Cost of Free Basic Services provided (R'000)									
Water (6 kilolitres per household per month)	5 470	6 020	6 502	7 723	7 723	7 723	9 231	9 926	10 672
Sanitation (free sanitation service)	5 048	5 349	5 670	6 010	6 010	6 010	6 370	6 753	7 158
Electricity/other energy (50kwh per household per month)	11 685	13 482	14 582	18 809	18 809	18 809	21 104	23 214	25 536
Refuse (removed once a week)	5 903	7 199	7 775	9 174	9 174	9 174	11 591	12 455	13 401
Total cost of FBS provided (minimum social p	28 084	32 049	34 509	41 716	41 716	41 716	48 296	52 358	56 767
Highest level of free service provided									
Property rates (R 15 000 threshold)	50 000	100 000	100 000	100 000	100 000	100 000	220 000	220 000	220 000
Water (kilolitres per household per month)	6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)	4	4	4	4	4	4	4	4	4
Sanitation (Rand per household per month)	51	54	58	61	61	61	65	69	73
Electricity (kwh per household per month)	50	50	50	50	50	50	50	50	50
Refuse (average free per week)	210	210	210	210	210	210	210	210	210
Revenue cost of free services provided (R'000)									
Property rates (R15 000 threshold rebate)	1 712	1 824	1 537	1 965	1 965	1 965	1 872	1 984	2 103
Property rates (other exemptions, reductions and rebates)	27 813	30 454	29 590	26 522	26 522	26 522	35 960	38 118	40 405
Water	13 295	15 549	9 010	9 791	9 791	9 791	10 776	11 588	12 458
Sanitation	4 094	4 779	5 182	6 420	6 420	6 420	6 805	7 214	7 649
Electricity/other energy	13 880	15 256	18 368	20 010	20 010	20 010	22 071	24 630	27 480
Refuse	6 671	9 934	10 992	10 545	10 545	10 545	11 428	12 267	13 210
Municipal Housing - rental rebates	15 179	—	—	—	—	—	—	—	—
Housing - top structure subsidies	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—
Total revenue cost of free services provided (total social package)	82 541	77 796	74 679	75 253	75 253	75 253	88 909	95 819	103 302



Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. Good progress is being made with the eradication of current services backlogs. Housing remains a challenge.
 - a. Electricity services – the current backlog should be eliminated in two years.
3. The budget provides for 6 650 households to be registered as indigent in 2015/16, and therefore entitled to receiving Free Basic Services. The number is set to increase over the MTREF, especially by poor people seeking economic opportunities.
4. It is anticipated that these Free Basic Services will cost the municipality R48,2 million in 2015/16. This is covered by the municipality's equitable share allocation from national government.
5. In addition to the Free Basic Services, other rates rebates also apply to households.



Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Executive Mayor, Mayoral Committee members, Municipal Manager and senior officials of the municipality, meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee are to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2014) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule on 27 August 2014. Key dates applicable to the process are:

- **26 September 2014** – Joint strategic planning session of the Mayoral Committee and Executive Management. Aim: to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritisation criteria for the compilation of the 2015/16 MTREF;
- **29 October 2014** – Mayoral directional IDP/Budget speech;
- **September/October 2014** – IDP consultation sessions were held with the ward committees and broader stakeholders (service organisations) to gather information on the "community needs" per ward. This initiative was executed as part of the municipality's 2015/16 IDP review process consultation meetings with ward committees to identify community needs;
- **September/October 2014** – Review of the draft capital budget with reference to the 2015/2016 MTREF and ward committees submit draft ward specific projects;
- **October 2014** – Top management meeting to discuss budget proposals and affordability;
- **November 2014** – Submission of tariff proposals and tariff workshops
- **November 2014** – Workshop on tariffs and tariff related policies;
- **December 2014** – Mid-year review by the BSC of the 2014/2015 progress and review of 2015-2018 draft operational expenditure including financial forecasting and scenario considerations;
- **January 2015** – Tariff finalisation, review budget related policies, discussions on draft 2015/2016 Capex & Opex;
- **23 January 2015** – Council considered the 2014/2015 Mid-year Review;
- **29 January 2015** – Final tariffs and adjustments budget review;



- 2-13 February 2015 – Finalisation of adjustments budget;
- 18 February 2015 – OMAF;
- 12 February 2015 – BSC finalises draft Capex/Opex;
- March 2015 – Budget office finalises budget report;
- 25 March 2015 - Tabling in Council of the draft 2015/16 IDP and 2015/16 MTREF for public consultation;
- 1-30 April 2015 – Draft Budget open to public scrutiny
- 7 – 23 April 2015 – Public consultation – Public meetings for all the wards in the municipal area to present the draft budget to the community.
- 28 April 2015 – LG MTEC3 engagement;
- 30 April 2015 - Closing date for written comments;
- 2 to 11 May 2015 – finalisation of the 2015/16 IDP and 2015/16 MTREF, taking into consideration comments received from the public, comments from National and Provincial Treasury, and updated information from the most recent Division of Revenue Bill and financial framework;
- 4-15 May 2015 – Budget Office compiles final report and schedules
- 14 May 2015 – Re-advertise for budget comments, if applicable
- 18-19 May 2015 – Final review of budget report and schedules
- 21-22 May 2015 – Final budget distribution; and
- 27 May 2015 - Tabling of the 2015/16 MTREF in Council for consideration and approval.

Revised programme to accommodate the further application by Eskom for additional electricity tariff increases:

- 18-22 May 2015 – Budget Office compiles final report and schedules
- 23-24 May 2015 – Final review of budget report and schedules
- 25 May 2015 – Final budget distribution; and
- 28 May 2015 - Tabling of the 2015/16 MTREF in Council for consideration and approval.

2.1.2 IDP and Service Delivery and Budget Implementation Plan

This was the further review of the five year (2012/2017) IDP as adopted by Council in May 2012. The review process started in September 2014 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2015/16 MTREF in August 2014.

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans with key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP was taken into a business and financial planning process leading up to the 2015/16 MTREF, based on the approved 2014/2015 MTREF, mid-year review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2015/16 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2014/2015 Departmental Service Delivery and Budget



Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

2.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2015/16 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2015/16 MTREF:

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate (trends, inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2014/2015 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 74 & 75 has been taken into consideration in the planning and prioritisation process.

2.1.4 Community Consultation on the Draft Budget

The draft 2015/16 MTREF was tabled in Council on 25 March 2015 and made available to the community as follows:

Copies of the document could be viewed:

- At the offices of all Area Managers
- All public libraries within the municipality
- At the website: www.overstrand.gov.za

The tabling of the draft budget was advertised in local newspapers and a copy of the advertisement was placed on the notice boards at municipal offices and libraries. All documents in the appropriate format (electronic and printed) were provided to National Treasury and Provincial Treasury in accordance with section 23 of the MFMA, to provide an opportunity for comment.

A delegation of the municipality, consisting of the Executive Mayor, MMC for Finance, Municipal Manager, all Directors and officials from the Budget Office and Strategic Planning Office, held public meetings for all the wards in the municipal area to present the draft budget to the community. Eleven public meetings were held over the period 7 to 23 April 2015.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and capital projects were considered by the Budget Steering Committee at a meeting held on 5 May 2015 for the finalisation of the 2015/2016 Budget.

Comments from the community and the municipality's responses thereto are included as Annexure I to the final report.

Details of proposed amendments to the draft budget are included in Annexure A of the final report.



2.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realised through a credible integrated developmental planning process. Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery. Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality. It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities. The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPis);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2015 Vision;
- National Spatial Development Perspective (NSDP);
- The National Priority Outcomes; and
- National Development Plan

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2015/16 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 27 IDP Strategic Objectives

2015/16 MTREF
The provision of democratic, accountable and ethical governance



The provision and maintenance of municipal services
The encouragement of structured community participation in the matters of the municipality
The creation and maintenance of a safe and healthy environment
The promotion of tourism, economic and social development

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

Provision of quality basic services and infrastructure which includes, amongst others:

- o Provide electricity;
- o Provide water;
- o Provide sanitation;
- o Provide waste removal;
- o Provide housing;
- o Provide roads and storm water;
- o Provide municipality planning services; and
- o Maintaining the infrastructure of the Municipality.

Economic growth and development that leads to sustainable job creation by:

- o Ensuring there is a clear structural plan for the Municipality;
- o Ensuring planning processes function in accordance with set timeframes;
- o Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.

Fight poverty and build clean, healthy, safe and sustainable communities:

- o Effective implementation of the Indigent Policy;
- o Extending waste removal services and ensuring effective municipality cleansing;
- o Ensuring all waste water treatment works are operating optimally;
- o Working with strategic partners such as SAPS to address crime;
- o Ensuring safe working environments by effective enforcement of building and health regulations;
- o Promote viable, sustainable communities through proper zoning; and
- o Promote environmental sustainability by protecting wetlands and key open spaces.

Integrated Social Services for empowered and sustainable communities

- o Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme

Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:

- o Optimising effective community participation in the ward committee system;
- o Implementing Batho Pele in the revenue management strategy.



Promote sound governance through:

- o Publishing the outcomes of all tender processes on the municipal website

Ensure financial sustainability through:

- o Reviewing the use of contracted services
- o Continuing to implement the infrastructure maintenance strategy and the repairs and maintenance plan

Optimal institutional transformation to ensure capacity to achieve set objectives

- o Review of the organisational structure to optimize the use of personnel;

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years for infrastructure planning. This process is aimed at influencing the development path to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. It provides direction to the Municipality's IDP, associated sectorial plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

This development strategy introduces important policy shifts which have further been translated into seven strategic focus areas/objectives as outlined below:

- Developing dormant areas;
- Enforcing hard development lines – so as to direct private investment;
- Maintaining existing urban areas;
- Strengthening key economic clusters;
- Building social cohesion;
- Strong developmental initiatives in relation to the municipal institution as a whole; and
- Sound financial fundamentals.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the revised IDP of the 2012/2017 cycle, including:

- Strengthening the analysis and strategic planning processes of the Municipality;
- Initiating zonal planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2015/16 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.



Table 28 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
The provision of democratic, accountable and ethical governance	Good Governance	1	167 928	232 385	199 504	182 267	232 413	232 413	255 894	272 354	292 533
The provision and maintenance of municipal services	Basic Service Delivery	2	466 833	461 155	485 124	558 189	540 568	540 568	601 451	636 788	690 447
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	19 203	41 467	62 333	53 339	44 557	44 557			
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	10 346	20 206	28 620	13 260	36 170	36 170	37 777	39 215	40 923
The promotion of tourism, economic and social development	Economic Development and Social Settlement	5	8 609	7 763	11 427	11 654	14 191	14 191	64 167	65 773	73 267
Total Revenue (excluding capital transfers and contributions)			668 918	762 949	787 987	829 942	867 900	867 900	959 288	1 024 088	1 101 921

Table 29 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
The provision of democratic, accountable and ethical governance	Good Governance	1	190 332	205 348	119 512	93 256	124 670	124 670	235 543	248 313	267 049
The provision and maintenance of municipal services	Basic Service Delivery	2	310 956	346 423	448 042	827 915	833 668	833 668	578 367	623 726	677 326
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	189 607	137 754	181 802	63 289	63 253	63 253	1 728		
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	36 252	48 275	64 229	58 206	79 067	79 067	76 465	79 497	82 921
The promotion of tourism, economic and social development	Economic Development and Social Settlement	5	15 378	14 271	18 637	28 020	132 634	132 534	72 480	85 957	70 987
Total Expenditure			742 525	752 070	832 022	969 588	933 322	933 322	864 528	1 037 493	1 098 292

Table 30 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
The provision of democratic, accountable and ethical governance	Good Governance	1	24 047	7 154	27 358	16 815	17 770	17 770	2 548	3 730	-
The provision and maintenance of municipal services	Basic Service Delivery	2	127 589	103 790	73 985	54 300	56 087	56 087	58 033	45 325	48 287
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	9 484	30 219	29 937	23 515	37 425	37 425	3 465	-	-
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	945	-	-	-	-	-	265	-	-
The promotion of tourism, economic and social development	Economic Development and Social Settlement	5	1 521	2 501	5 696	3 090	6 300	6 300	35 473	45 550	55 114
Total Capital Expenditure			163 275	143 764	130 930	97 721	117 588	117 588	102 914	94 606	102 596



2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly at each quarter, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

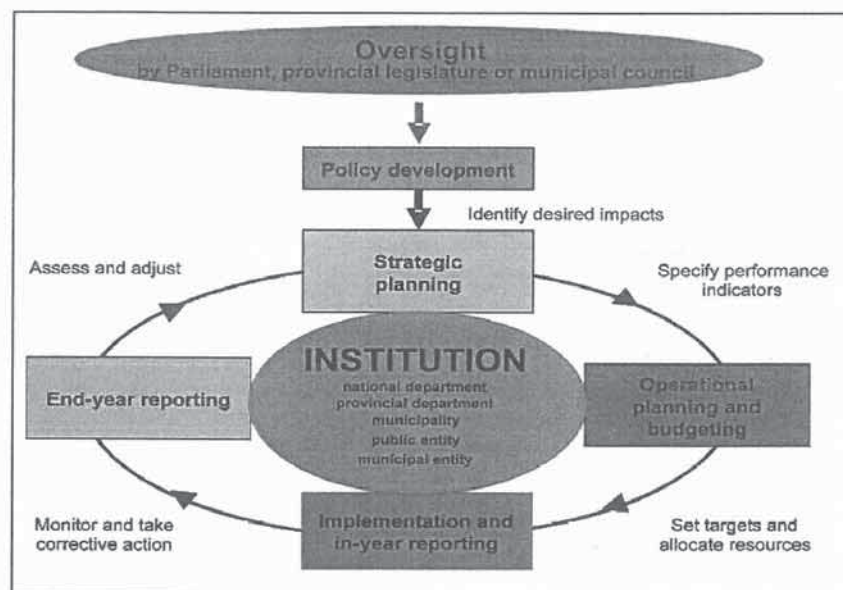


Figure 4 Planning, budgeting and reporting cycle

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the *Framework of Managing Programme Performance Information* issued by the National Treasury:

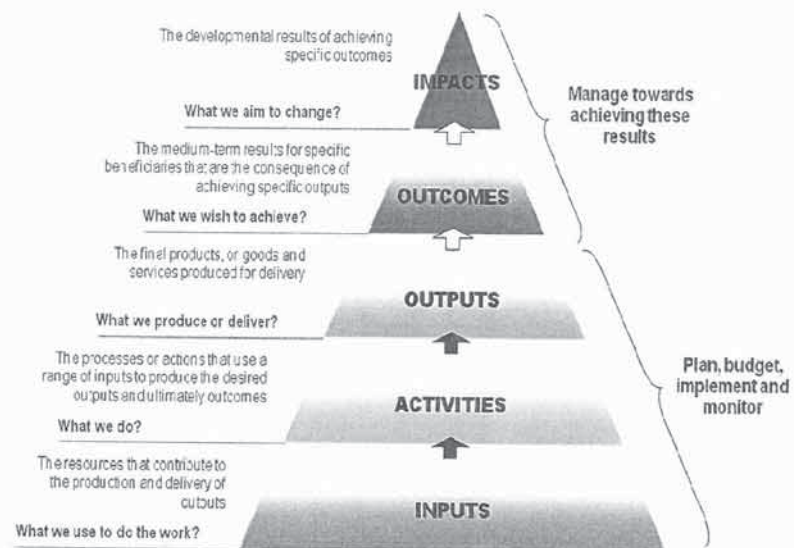


Figure 5 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.



Table 31 MBRR Table SA7 - Measurable performance objectives

Description	Unit of measurement	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Council										
Council and Municipal Manager										
Municipal Manager										
Risk based audit plan approved by the Audit Committee by the end of June 2016	Plan approved	1	1	1	1	1	1	1	1	1
Quarterly report to the Management, Executive Mayor, Auditor-General and Audit Committee on progress with implementation of key controls as identified in key control deficiencies	Quarterly reports submitted on achievement of committed dates	1	1	1	4	4	4	4	4	4
Submit quarterly progress reports on the revision of the top 10 risks as a corrective action to the Executive Management Team	Number of progress reports submitted	1	1	1	4	4	4	4	4	4
Percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's IDP (Actual amount spent on projects as identified for the year in the IDP/Total amount spent on capital projects)(X100)	% of capital budget spent	91.80%	98.00%	93.77%	98%	98%	98%	98%	98%	98%
Management Services										
Director: Management Services										
Human Resources										
90% of the approved and funded organogram filled (Actual number of posts filled divided by the funded posts budgeted) x 100	% Filled	91.25%	92.86%	92.41%	90%	90%	90%	90%	90%	90%
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	The number of people from EE target groups employed	4	2	no kpi set	54	54	54	54	54	54
The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan	% of the training budget spent on implementation of the WSP	100%	100%	100%	100%	100%	100%	100%	100%	100%
Review the Municipal Organisational Staff Structure by the end of June	Structure reviewed	no kpi set	no kpi set	1%	100%	100%	100%	100%	100%	100%
Revise the Section 14 Access to Information Manual by the end of June to ensure compliant and up to date policies	Policy revised	100%	100%	100%	100%	100%	100%	100%	100%	100%
Provide legal assistance and input on policies, contracts, agreements, legislation	Number of responses to legal	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	120	120	120
Monthly Report on additional court matters	Number of reports on court matter	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	24	24	24
Establishment of LDAC (Local Drug Action Committee) in terms of the Prevention and Treatment of Substance Abuse Act by August 2015	Established LDAC	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	1	0	0
Finance										
Director: Finance										
Director: Finance										
Operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	Ratio achieved	5.17%	3.49%	2.30%	1.2	1.2	1.2	1	1	1
Service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year) (%)	Ratio achieved	18.60%	17.46%	16.90%	17	17	17	17	17	17
Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	% achieved	11.60%	11.90%	10.40%	12	12	12	12.2	12.2	12.2
Appointment of a service provider to submit a reviewed long term financial plan by the end of June 2016	Reviewed plan approved	no kpi set	no kpi set	no kpi set	1	1	1	1	0	0
Financial statements submitted to the Auditor General by 31 August 2015	Financial statements submitted	1	1	1	1	1	1	1	1	1
Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements	Number of households	5477	6523	6536	6580	6580	6580	6650	6650	6650
Revenue										
Achieve a debt recovery rate not less than 95%	% Recovered	no kpi set	100.44%	100.33%	95%	95%	95%	95.0%	95.0%	95.0%
Protection Services										
Director: Protection Services										
Annually review Community Safety Plan by the end of June in conjunction with the Department of Community Safety	Plan reviewed	1	1	1	1	1	1	1	1	1
Arrange public awareness sessions on Protection Services	Number of sessions held	57	60	55	32	32	32	32	32	32
Disaster and Fire Management										
Annually review and submit Disaster Management Plan to the District by the end of June	Reviewed plan submitted	1	1	1	1	1	1	1	1	1
Annually review the Fire Management Plan by the end of June	Plan reviewed	1	1	1	1	1	1	1	1	1
Traffic										
Optimal collection of public safety income for the financial year	R+ value of public safety	4 893 028	9 739 942	5 154 575	10 000 000	10 000 000	10 000 000	9 000 000	9 000 000	9 000 000



Description	Unit of measurement	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Community Services										
Director: Community Services										
Director: Community Services										
Ward committee meetings held to facilitate consistent and regular communication with residents	No of ward committee meetings per ward per annum	8	8	8	8	8	8	8	8	8
98% of the operational conditional grant (Libraries, COW) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Libraries, COW)	100.0%	100.0%	100.43%	98%	98%	98%	98%	98%	98%
m² of roads patched (work orders) and resealed according to approved Pavement Management System within available budget	m² of roads patched (work orders) and resealed	171344	218152	101560	120000	120000	120000	100000	100000	100000
Quality of effluent comply 90% with SANS 241	% compliance	88.60%	86.02%	82.78%	90%	90%	90%	90%	90%	90%
Quality of potable water comply 95% with SANS 241	% compliance	no kpi set	no kpi set	95.38%	95%	95%	95%	95%	95%	95%
Limit unaccounted water to less than 25% (Number of kiloliter water purified - Number of kiloliter water sold/Number of kiloliter sold x 100)	% of water unaccounted for	27.25%	25.57%	21.5%	25%	25%	25%	25%	25%	25%
Provision of water to informal households with access within a 200 m radius	No of informal households that have access to water within a 200 m radius	3565	no kpi set	no kpi set	3406	3406	3406	3152	3152	3152
Provision of cleaned piped water to all formal households within 200 m from households	No of formal households that meet agreed service standards for piped water	25066	25435	27373	28077	28077	28077	32483	33638	34438
Provision of refuse removal, refuse dumps and solid waste disposal to all formal households at least once a week	Number of formal households for which refuse is removed at least once a week	32265	no kpi set	34299	32697	32697	32697	33094	34065	35105
Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week	Number of informal households for which refuse is removed at least once a week	3565	no kpi set	no kpi set	3406	3406	3406	3152	3152	3152
The provision of sanitation services to informal households based on the standard of 1 toilet to 5 households	No of informal households that have access to sanitation based on the standard of 1 toilet to 5 households	3565	no kpi set	no kpi set	3406	3406	3406	3152	3152	3152
Provision of sanitation services to formal residential households	No of formal residential households which are billed for sewerage in accordance to the SAMRAS financial system	30016	31221	31231	31202	31202	31202	32483	33638	34438
Local Economic Development										
Director: LED										
LED										
Report bi-annually to the Portfolio committee on LED and Tourism initiatives	Quarterly report on marketing tools	no kpi set	no kpi set	no kpi set	4	4	4	2	2	2
Report on Grants to festival organisers through Service Level Agreements (SLA) by end August 2015	Number of reports submitted	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	1	1	1
Develop and implement an SMME Development Programme	Number of SMME's supported	55	23	45	no kpi set	no kpi set	no kpi set	30	30	30
Financial and non-financial resources mobilised	Number of MOU's entered into and amount generated	no kpi set	no kpi set	no kpi set	2	2	2	3	3	3
Report quarterly to Director LED on linkages established with other spheres of government, agencies, donors, SALGA and other relevant bodies for benefit of local area	Quarterly report on linkages established	no kpi set	no kpi set	no kpi set	4	4	4	4	4	4
The number of job opportunities created through the EPWP programme and as per set targets (grant agreement - FTE's, translates to 336 work opportunities)	Number of temporary jobs created	204	609	517	287	287	287	299	299	299
Monthly operate the LED Walk Centres for outreach & referral purposes	Number of registers on LED outreach statistics (walk in centre)	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	12	12	12
Compile an action plan to improve on the LED maturity	Plan completed	no kpi set	no kpi set	no kpi set	2	2	2	2	2	2
Infrastructure & Planning										
Director: Infrastructure and Planning										
Director: Infrastructure and Planning										
Limit electricity losses to 9% or less (Number of Electricity Units Purchased - Number of Electricity Unit Sold) / Number of Electricity Unit Purchased and/or Generated x 100	% of electricity unaccounted for	7.10%	6.88%	5.55%	8.5%	8.5%	8.5%	8%	8%	8%
Provision of Electricity: Number of metered electrical connections in formal area (Eskom Areas excluded)	Number of formal households that meet agreed service standards	20504	no kpi set	25751	21998	21998	21998	25354	25725	25116
Waste Water Management										
Achieve two Green Drop awards	Number of awards	no kpi set	0	4	2	2	2	2	2	2
Achieve 5 Blue Drop awards	Number of awards	no kpi set	no kpi set	no kpi set	6	6	6	5	5	5
Water										
Report on the implementation of the Water Service Development plan annually by the end of October 2015	Report submitted	1	1	1	1	1	1	1	1	1
Planning and Development										
Municipal Infrastructure Grant (MIG) - % expenditure	% expenditure of allocated grant	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	100%	100%	100%

OVERSTRAND MUNICIPALITY
25 MAY 2015
E. S. Nant
OVERSTRAND MUNICIPALITY

2.3.1 Performance indicators and benchmarks

2.3.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Overstrand's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the Municipality's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2015/16 MTREF:

- *Capital charges to operating expenditure* is a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing will steadily reduce over the MTREF to 7 per cent. While borrowing is considered a prudent financial instrument in financing capital infrastructure development, this indicator will have to be carefully monitored going forward as the Municipality had reached its prudential borrowing limits in 2012.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The average over the MTREF is 85 per cent which indicates the limited amount available from own sources to finance capital. This is as a result of utilising any surpluses as they become available in the past.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the Municipality to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs. As part of the compilation of the 2011/2012 MTREF the potential of smoothing out the debt profile over the longer term was investigated and borrowing was capped in the borrowing policy. The gearing on borrowing will be reduced by 10 per cent over a period of ten years as started in 2012.

2.3.1.2 Safety of Capital

- *The gearing ratio* is a measure of the total long term borrowings over funds and reserves. This ratio is not conducive to the GRAP accounting framework due to the low amount of reserves.

2.3.1.3 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a bottom limit of 1.2, therefore at no point in time should this ratio be less than 1.2. Over the 2015/16 MTREF the current ratio is 1.3. National Treasury has set a current ratio minimum of 1.5 in circular 71. Going forward it will be necessary to increase this ratio, notwithstanding that it will tie up cash needed for capital investment.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Overstrand Municipality's liquidity ratio is at an average of 0.73 over the MTREF, up from 0.6 in the previous MTREF. This includes consumer deposits and provisions which are not likely to be realised in the short term. Consideration should be given to exclude a vast portion of consumer deposits. With the former mentioned items excluded, this ratio would be 1.1 over the MTREF. As part of the longer term financial planning objectives this ratio will have to be set at a minimum of 1.1 notwithstanding that it will tie up cash needed for capital investment.



Revenue Management

- As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.

2.3.1.4 Creditors Management

- The Municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure compliance to this legislative obligation. This has had a favourable impact on suppliers' perceptions of risk of doing business with the Municipality, which is expected to benefit the Municipality in the form of more competitive pricing of tenders, as suppliers compete for the Municipality's business.

2.3.1.5 Other Indicators

- The electricity distribution losses have been managed downwards from 8.3 per cent in the 2010/2011 financial year to 5.9 per cent over the MTREF. This includes measureable technical losses. The initiatives to ensure these targets are achieved include managing illegal connections, regular meter audits and managing theft of electricity by rolling out smart metering systems, including prepaid meters. It should be noted that technical losses range between 3 – 5 per cent over the Overstrand area. When taking this into consideration it is evident that distribution losses are well managed.
- The water distribution losses have been significantly reduced from 27.4 per cent in 2009/10 to 20 per cent in 2014/2015. This has been achieved with investing in the upgrading of water reticulation infrastructure, which is set to continue over the MTREF. Active attention is also given to reported leaks by the public and a further measure is to install flow limiters.
- Employee costs as a percentage of operating revenue remains stable, with an indication of a decrease over the MTREF. This is primarily owing to the virtually zero expansion of the personnel structure, high increase in bulk purchases which directly increase revenue levels, as well as increased allocation relating to operating grants and transfers.
- In real terms, repairs and maintenance has increased as part of the municipality's strategy to ensure the management of its asset base

2.3.2 Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Municipality. Only registered indigents qualify for the free basic services.

For the 2015/16 financial year 6900 registered indigents have been provided for in the budget. In terms of the municipality's indigent policy, registered households are entitled to 6kℓ free water and 50 kWh of electricity, are fully subsidised for basic charges for services and 4,2kℓ sanitation. Household with a property valuation of R220 000 qualify upon registration as indigents.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 26 MBRR A10 (Basic Service Delivery Measurement) on page 41.



Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes) are not taken into account in the table noted above due to the measuring criteria.

2.3.3 Providing clean water and managing waste water

The Department of Water Affairs conducts bi-annual performance rating of water and sewage treatment works, presenting a Blue Drop or Green Drop award respectively to potable water treatment works and waste water treatment works that meet certain criteria of excellence.

The municipality has achieved Blue Drop and Green Drop awards during the latest review, indicating that the municipality's drinking water is of exceptional quality.

The following is briefly the challenges facing the municipality:

- Some infrastructure is old and insufficient to treat the increased volumes of waste water to the necessary compliance standard;
- Shortage of skilled personnel makes proper operations and maintenance difficult;

2.4 Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

2.4.1 Customer Care, Credit Control and Debt Collection Policy

The 2015/16 MTREF has been prepared on the basis of achieving an average debtors' collection rate in excess of 99 per cent on current billings. The current collection rate is in excess of 99 per cent. In addition the collection of debt in excess of 90 days has been prioritised.

2.4.2 Asset Management Policy

The Asset Management Policy is considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the revenue base.

2.4.3 Budget Policy

The budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the Municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

2.4.4 Supply Chain Management Policy



The Supply Chain Management Policy was adopted by Council in 2008. The policy is continually revised to incorporate amending legislation.

2.4.5 Virement Policy

The Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the Municipality's system of delegations.

2.4.6 Investment & Cash Management Policy

The aim of the policy is to ensure that the Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves.

2.4.7 Tariff Policy

The Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery.

2.4.8 Long term Financial Planning & Implementation Policy

Funding for the compiling of a The Long term Financial Planning Policy has been acquired from the Provincial Government. A long term financial plan report has been compiled in 2014/15, after a service provider had been appointed.

2.4.9 Contract Management Policy

This policy has been introduced to further enhance the supply chain management function.

2.4.10 Pay Day Policy

This policy has been introduced to give effect to the council resolution in this regard.

The following policies have also been subject to review:

- Property Rates Policy;
- Funding and Reserves Policy;
- Borrowing Policy;
- Indigent Policy;
- Travelling & Subsistence;
- Petty Cash



2.5 Overview of budget assumptions

2.5.1 External factors

The effects of recession are still evident. After a protracted standstill in interest rates, this increased by 25 basis points recently. Upwards pressure is also evident in the inflation rate and the Rand continues to weaken against leading currencies. International oil prices are rising after a significant decrease over the previous months.

2.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2015/16 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and fuel; and
- The increase in the cost of remuneration. Employee related costs comprise 30 per cent of total operating expenditure in the 2015/16 MTREF and therefore increases above inflation places a disproportionate upward pressure on the expenditure budget

2.5.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The municipality chiefly engages in amortisation-style loans requiring both regular principal and interest payments. Surplus cash is invested and re-invested at short intervals.

2.5.4 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate linked to CPI over the medium term, except electricity. It is also assumed that current economic conditions, and relative inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (99 per cent) of annual billings. Cash flow is assumed to be 99,5 per cent of billings from an increased collection of arrear debt.

2.5.5 Growth or decline in tax base of the municipality

Debtors' revenue is assumed to increase at a rate that is influenced by the consumer debtors' collection rate, tariff/rate pricing, real growth rate of the Municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' mainly limits consumption to the level of free basic services.



2.5.6 Salary increases

The collective agreement regarding salaries/wages ends at 30 June 2015. Wage negotiations for 2015/16 are still underway in the Bargaining Council.

2.5.7 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

2.5.8 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 99 per cent is achieved on operating expenditure and 95 per cent on the capital programme for the 2015/16 MTREF.

2.6 Overview of budget funding

2.6.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 33 Breakdown of the operating revenue over the medium-term

Description R thousand	2015/16 Medium Term Revenue & Expenditure Framework		
	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue By Source			
Property rates	162 730	173 308	184 573
Service charges	566 784	612 476	662 296
Rental of facilities and equipment	11 859	12 953	14 176
Interest earned	8 784	9 028	9 296
Transfers recognised - operational	90 278	107 886	97 173
Other revenue	54 599	57 571	60 896
Total Revenue (excluding capital transfers and contributions)	895 035	973 222	1 028 409

The following graph is a breakdown of the operational revenue per main category for the 2015/16 financial year.



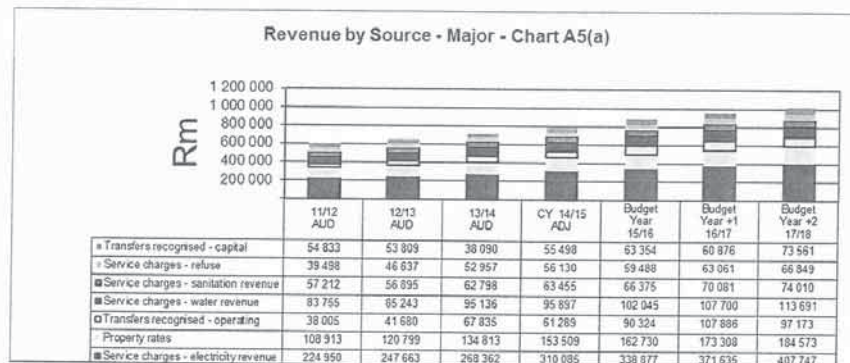


Figure 6 Breakdown of operating revenue over the 2015/16 MTREF

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The Municipality derives most of its operational revenue from the provision of goods and services such as water, electricity, sanitation, solid waste removal, property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc).

The revenue strategy is a function of key components such as:

- Growth in the municipality and economic development;
- Revenue management and enhancement;
- Achievement of a 99 per cent annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements; and
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004), as amended (MPRA).

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

Table 34 Proposed tariff increases for 2015/2016

WC032 Overstrand - Supporting Table 5A14 Household bills

Description	Current Year 2014/15	Budget Year 2015/16	Budget Year 2015/16
Rand/cent		% Incr.	
Monthly Account for Household - 'Middle Income Range'			
Rates and services charges:			
Property rates	179.40	7.0%	191.69
Electricity: Basic levy	204.56	6.0%	216.83
Electricity: Consumption	1 219.00	11.0%	1 357.95
Water: Basic levy	102.28	6.0%	108.42
Water: Consumption	290.10	6.0%	308.64
Sanitation	305.94	6.0%	325.09
Refuse removal	130.18	6.0%	137.99
Other			
sub-total	2 431.46	8.8%	2 646.81
VAT on Services	312.99		344.41
Total large household bill:	2 744.44	9.0%	2 991.02
% increase/decrease	-		9.0%

Refer to Annexure C for Tariffs increases



The levying of property rates is considered a strategic revenue source.

Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket.

Operational grants and subsidies have shown increases over the MTREF. It needs to be noted that in real terms the grants receipts from national government are growing over the MTREF. This can be seen in the increase in equitable over the MTREF.

Investment revenue contributes marginally to the revenue base. It needs to be noted that these allocations have been conservatively estimated. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

The tables below provide detail investment information and investment particulars by maturity.

Table 35 MBRR SA15 – Detail Investment Information

Investment type	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Parent municipality									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank	75 000	55 042	50 039						
Deposits - Public Investment Commissioners									
Guaranteed Endowment Policies (sinking)	5 691	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
Municipal Bonds									
Consolidated total:	80 691	66 638	67 004	22 207	22 207	22 207	28 455	34 384	40 409

Table 36 MBRR SA16 – Investment particulars by maturity

Investments by Maturity	Period of Investment	Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed Interest rate	Interest Rate 1	Commission on Paid (Rands)	Commission on Recipient	Expiry date of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
Name of Institution & Investment ID	Yrs/Months												
Parent municipality													
LIBERTY 15334476	15 YEARS	POLICY	YES	VARIABLE	Fair Value Adjustment			01/09/2025	6 425	256		1 500	8 181
LIBERTY 21193594	14 YEARS	POLICY	YES	VARIABLE	Fair Value Adjustment			01/09/2025	9 389	29		3 120	12 538
MOMENTUM 3653776	15 YEARS	POLICY	YES	VARIABLE	Fair Value Adjustment			01/07/2026	1 151	(23)		360	1 488
TOTAL INVESTMENTS AND INTEREST									16 965		-	4 980	22 207

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The surplus is intended to partly fund capital expenditure from own sources as well as ensure adequate cash backing of reserves and funds.



2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2015/16 medium-term capital programme:

Table 37 Sources of capital revenue over the MTREF

Vote Description	2015/16 Medium Term Revenue & Expenditure Framework		
	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand			
Funded by:			
National Government	30 347	26 126	29 187
Provincial Government	33 007	34 750	44 374
District Municipality			
Other transfers and grants	1 000		
Transfers recognised - capital	64 354	60 876	73 561
Public contributions & donations	462		
Borrowing	32 346	30 000	30 000
Internally generated funds	6 753	3 730	
Total Capital Funding	103 914	94 606	103 561

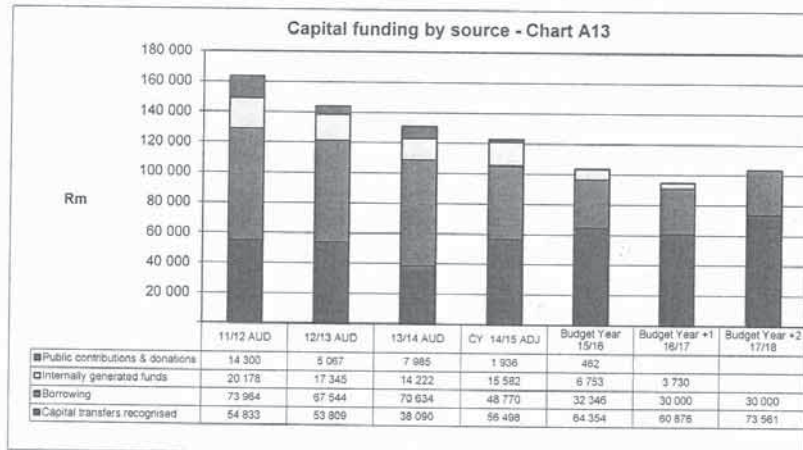


Figure 7 Sources of capital revenue for the 2015/16 financial year

Capital grants and receipts equates to 61,9 per cent of the total funding source which represents R64,3 million for the 2015/16

Borrowing still remains a significant funding source for the own capital programme over the medium-term with an estimated R90 million. As explained earlier, the borrowing capacity of the Municipality had essentially reached its limits in 2012 and going forward borrowing limits will remain constant.

The following table is a detailed analysis of the Municipality's borrowing liability.



Table 38 MBRR Table SA 17 - Detail of borrowings

Borrowing - Categorised by type R thousand	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Long-Term Loans (annuity/reducing balance)	250 581	274 394	292 444	307 225	307 225	307 225	311 657	312 288	309 060
Long-Term Loans (non-annuity)	90 000	90 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000
Instalment Credit				4 541	5 520	5 520	4 333	2 981	1 443
Financial Leases	623	238			84	84	-	-	-
Total Borrowing	341 204	364 632	392 444	411 766	412 829	412 829	415 999	415 269	410 503
Unspent Borrowing - Categorised by type									
Long-Term Loans (annuity/reducing balance)	18 255	6 133	1 847						
Total Unspent Borrowing	18 255	6 133	1 847	-	-	-	-	-	-

Internally generated funds consist of a mixture between surpluses generated on the operating statement of financial performance and cash backed reserves. In determining the credibility of this funding source it becomes necessary to review the cash flow budget as well as the cash backed reserves and accumulated funds reconciliation, as discussed below. Internally generated funds consist of R6,7 million in 2015/2016 and R3,7 million in 2016/17.

The following graph illustrates the growth in outstanding borrowing for the 2011/12 to 2017/18 period.

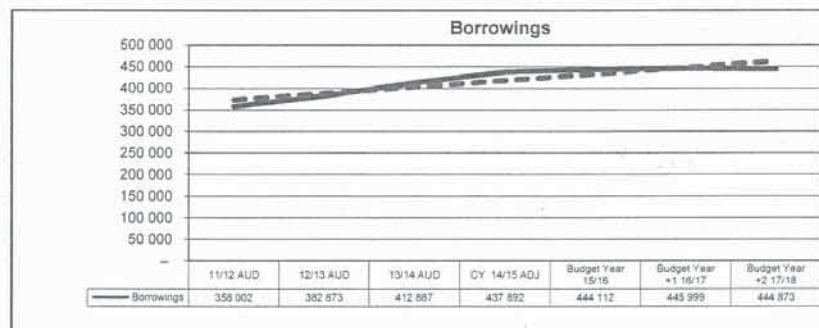


Figure 8 Growth in outstanding borrowing (long-term liabilities)

It is noticeable that the borrowing level remains constant over the MTREF, notwithstanding that proposed borrowing of R30 million per annum is envisaged. This is mainly due to a reduction in borrowing from previous levels of previous years and the cycle of borrowing and repayments of borrowing reaching equalisation.



Table 39 MBRR Table SA 18 - Capital transfers and grant receipts

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
RECEIPTS:									
Capital Transfers and Grants									
National Government:	54 183	36 911	26 068	24 174	23 608	23 608	30 347	26 125	29 187
Municipal Infrastructure Grant (MIG)	13 971	16 947	18 755	20 674	20 674	20 674	21 417	22 126	23 187
Public Transport and Systems									
Regional Bulk Infrastructure	36 212	15 174	-						
Neighbourhood Development Partnership	2 000	2 418	3 963						
Finance Management	-	552	-	566	-	-			
Municipal Systems Improvement	-	20	350	934	934	934	930		
INEP	2 000	1 800	3 000	2 000	2 000	2 000	8 000	4 000	6 000
Provincial Government:	-	20 217	8 819	10 080	30 516	30 516	33 007	34 750	44 374
Housing	-	18 693	7 727	7 810	28 366	28 366	29 973	34 750	44 374
Sport & Recreation Grant	-	-	100	100	-	-			
Provincial Library Grant	-	13	10	2 150	2 150	2 150	3 034		
Provincial Transport Infrastructure Grant	-	1 500	982						
Community Development Worker Grant	-	11	-						
Other grant providers:	500	-	-	2 134	2 051	2 051	1 000	-	-
DWA ACIP				1 000	1 000	1 000			
Species 4 Sport				51	51	51			
Eskom Rebate/National Lotto	500			1 083	1 000	1 000	1 000		
Total Capital Transfers and Grants	54 683	57 128	34 887	36 368	56 175	56 175	64 354	60 876	73 561

Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understanding for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provided for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).



Table 40 MBRR Table A7 - Budgeted cash flow statement

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates, penalties & collection charges	110 347	120 273	135 875	148 254	154 165	154 185	163 300	173 297	184 620
Service charges	397 229	437 061	483 167	522 072	524 216	524 216	567 409	608 975	658 596
Other revenue	69 894	41 689	63 976	46 516	63 257	63 257	78 884	75 476	74 750
Government - operating	37 750	44 140	63 477	58 407	61 289	61 289	90 324	107 886	97 173
Government - capital	54 833	54 577	36 090	36 368	57 549	57 549	64 354	60 876	73 561
Interest	9 211	9 754	8 470	8 454	8 454	8 454	8 784	9 028	9 296
Dividends							-	-	-
Payments									
Suppliers and employees	(520 159)	(566 519)	(637 833)	(653 525)	(656 105)	(656 105)	(765 303)	(806 560)	(835 753)
Finance charges	(31 669)	(37 199)	(39 858)	(45 162)	(44 480)	(44 480)	(46 895)	(46 780)	(47 279)
Transfers and Grants	(28 454)	(35 856)	(38 740)	(41 370)	(41 668)	(41 668)	(48 497)	(54 667)	(62 244)
NET CASH FROM/(USED) OPERATING ACTIVITIES	98 981	75 920	76 616	80 014	126 676	126 676	110 861	125 532	152 720
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	13 722	1 725	5 073	-	-	-	-	-	-
Decrease (increase) in non-current debtors	2 189	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	20	45	18	15	15	15	18	13	11
Decrease (increase) in non-current investments	(4 430)	(4 960)	(4 529)	(5 827)	(5 827)	(5 827)	(6 248)	(5 930)	(6 025)
Payments									
Capital assets	(163 279)	(143 764)	(130 930)	(97 721)	(122 785)	(122 785)	(103 914)	(94 608)	(103 561)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(151 774)	(146 955)	(130 368)	(103 533)	(128 597)	(128 597)	(110 144)	(100 523)	(109 575)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short-term loans	940	(389)	(730)	5 520	6 541	6 541	(1 135)	(1 271)	(1 352)
Borrowing long term/refinancing	110 000	38 700	51 300	40 000	40 000	40 000	30 000	30 000	30 000
Increase (decrease) in consumer deposits	12 844	3 725	2 819	2 703	2 703	2 703	2 479	2 628	2 786
Payments									
Repayment of borrowing	(14 295)	(13 554)	(20 626)	(21 061)	(21 061)	(21 061)	(23 536)	(26 341)	(29 775)
NET CASH FROM/(USED) FINANCING ACTIVITIES	109 489	28 482	32 764	27 163	28 183	28 183	7 409	4 515	1 859
NET INCREASE/(DECREASE) IN CASH HELD	56 696	(42 552)	(20 989)	3 644	26 262	26 262	8 126	29 524	44 004
Cash/cash equivalents at the year begin:	70 004	126 699	84 147	84 406	63 158	63 158	89 421	97 547	127 071
Cash/cash equivalents at the year end:	126 699	84 147	63 158	88 050	89 421	89 421	97 547	127 071	171 875

The above table shows that cash and cash equivalents of the Municipality increases steadily for the 2015/16 to 2017/2018 financial years. For the 2015/16 MTREF the budget has been prepared to ensure sustained levels of cash and cash equivalents over the medium-term with cash levels anticipated to exceed R97,5 million by 2015/16 and steadily increasing to R171,8 million by 2017/18.

2.6.3 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA.



requirement that the municipality's budget must be 'funded' It is also important to analyse trends to understand the consequences. Small cash surpluses have been realised over the past three years, which is inevitably utilised to finance capital. No meaningful growth in cash has occurred. The working capital has to be optimally managed.

Table 41 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Cash and investments available									
Cash/cash equivalents at the year end	126 699	84 147	63 158	88 050	89 421	89 421	97 547	127 071	171 875
Other current investments > 90 days	0	—	0	—	—	—	0	(0)	0
Non current assets - Investments	5 691	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
Cash and investments available:	132 391	95 744	80 123	110 257	111 628	111 628	126 001	161 455	212 284
Application of cash and investments									
Unspent conditional transfers	4 555	7 783	3 425	—	—	—	—	—	—
Unspent borrowing	18 255	6 133	1 947	—	—	—	—	—	—
Statutory requirements	—	—	—	—	—	—	—	—	—
Other working capital requirements	(28 049)	(21 016)	(40 826)	(40 803)	(57 301)	(57 301)	(22 868)	(23 728)	(13 035)
Other provisions	—	—	—	—	—	—	—	—	—
Long term investments committed	5 691	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
Reserve to be backed by cash/investments	1 920	1 891	2 565	1 934	2 573	2 573	2 637	2 703	2 757
Total Application of cash and investments:	2 373	6 388	(16 024)	(16 663)	(32 522)	(32 522)	8 224	13 360	30 132
Surplus(shortfall)	130 018	89 356	96 147	126 920	144 149	144 149	117 777	148 095	182 152

From the above table it can be seen that the cash and investments total R111,6 million in the 2014/2015 financial year and increase to R126 million by 2015/16, including the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. In the past these have been allowed to 'roll-over' and be spent in the ordinary course of business, but this practice has been discontinued. Stringent measures have been implemented by NT regarding unspent grants.
- No unspent borrowing from the previous financial year is anticipated. Borrowings are only drawn down once substantial expenditure has incurred against the particular projects.
- Provisions for statutory requirements include VAT owing to timing differences resulting from year-end obligations.
- The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. For the purpose of the cash backed reserves and accumulated surplus reconciliation, at least one month's operational expenditure is covered at all times. It needs to be noted that although this can be considered prudent, the desired cash levels should be 60 days to ensure continued liquidity of the municipality. Any underperformance in relation to collections could place upward pressure on the ability of the Municipality to meet its creditor obligations.
- Long term investments consist primarily of the sinking funds for the repayment of future borrowings. The sinking fund value is held within long term investments and must be 'held to maturity' and is not available for spending.
- Most reserve fund cash-backing is discretionary in nature, but the reserve funds are not available to support a budget unless they are cash-backed. The level of cash-backing is directly informed by the municipality's cash backing policy.



It can be concluded that the Municipality will have a surplus of R117,7 million against the cash backed and accumulated surpluses reconciliation. When considering the funding requirements of section 18 and 19 of the MFMA, it needs to be noted that for all practical purposes the 2015/2016 MTREF is funded, from a pure cash flow perspective (cash out flow versus cash inflow) the budget is funded and is therefore credible. The challenge for the Municipality will be to ensure that the underlying planning and cash flow assumptions are meticulously managed, especially the performance against the collection rate.

The following graph supplies an analysis of the trends relating cash and cash equivalents and the cash backed reserves/accumulated funds reconciliation over a seven year perspective.

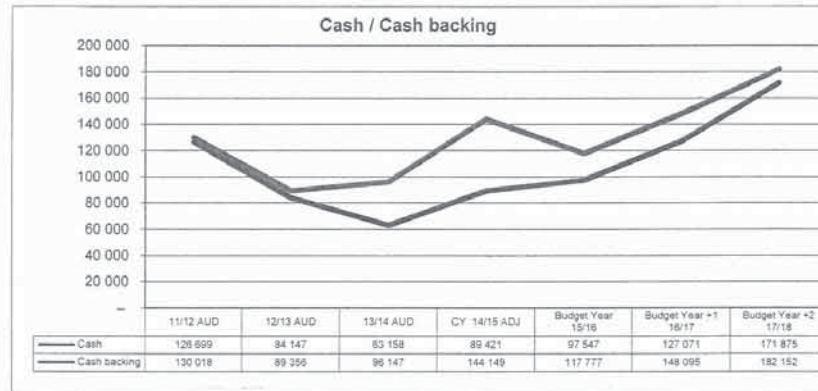


Figure 9 Cash and cash equivalents / Cash backed reserves and accumulated funds

2.6.4 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.



Table 42 MBRR SA10 – Funding compliance measurement

Description	MFMA section	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Funding measures										
Cash/cash equivalents at the year end - R'000	18(1)(b)	126 699	84 147	63 158	88 050	89 421	89 421	97 547	127 071	171 875
Cash - investments at the yr end less applications - R'000	18(1)(b)	130 018	89 356	96 147	129 920	144 149	144 149	117 777	148 095	182 152
Cash year end/monthly employee/supplier payments	18(1)(b)	3.1	1.8	1.2	1.6	1.5	1.5	1.5	1.9	2.4
Surplus/(Deficit) excluding depreciation offset: R'000	18(1)	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679
Service charge rev % change - macro CPIX target exclusive	18(1)(a)(2)	N.A.	2.3%	4.2%	3.8%	(5.3%)	(5.0%)	1.4%	1.7%	1.8%
Cash receipts % of Ratepayer & Other revenue	18(1)(a)(2)	104.9%	91.5%	102.1%	99.6%	99.8%	99.8%	101.2%	99.9%	99.3%
Debt impairment expense as a % of total billable revenue	18(1)(a)(2)	0.0%	1.2%	2.0%	0.0%	3.4%	3.4%	3.1%	2.9%	2.7%
Capital payments % of capital expenditure	18(1)(c-19)	100.0%	100.0%	100.0%	100.0%	104.4%	104.4%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)(c)	101.4%	43.0%	55.3%	65.2%	65.5%	65.5%	75.8%	88.9%	100.0%
Grants % of Govt legislated/gazetted allocations	18(1)(a)							100.0%	100.0%	100.0%
Current consumer debtors % change - inc/(decr)	18(1)(a)	N.A.	18.5%	(2.1%)	(2.2%)	11.3%	0.0%	(11.2%)	(1.4%)	4.3%
Long term receivables % change - inc/(decr)	18(1)(a)	N.A.	(33.7%)	(18.4%)	(16.1%)	0.0%	0.0%	(28.3%)	(26.0%)	(33.0%)
R&M % of Property Plant & Equipment	20(1)(v)(i)	2.1%	3.7%	4.8%	5.3%	5.2%	5.2%	3.9%	4.1%	4.9%
Asset renewal % of capital budget	20(1)(v)(i)	0.0%	2.9%	35.9%	28.8%	27.9%	27.9%	20.0%	22.2%	6.3%
Total Operating Revenue		597 482	703 871	736 376	784 474	810 351	810 351	895 035	973 222	1 028 409
Total Operating Expenditure		742 525	752 070	832 022	869 588	933 322	933 322	964 529	1 037 493	1 098 202
Operating Performance Surplus/(Deficit)		(145 043)	(48 199)	(95 646)	(85 115)	(122 971)	(122 971)	(69 494)	(64 271)	(69 863)
Cash and Cash Equivalents (30 June 2012)		126 699	84 147	63 158	88 050	89 421	89 421	97 547	127 071	171 875
Revenue										
% Increase in Total Operating Revenue			17.8%	4.6%	6.9%	3.3%	0.0%	10.9%	8.7%	5.7%
% Increase in Property Rates Revenue			10.9%	11.6%	10.3%	3.3%	0.0%	6.0%	8.5%	6.5%
% Increase in Electricity Revenue			10.1%	8.4%	15.5%	0.0%	0.0%	9.3%	9.7%	9.7%
% Increase in Property Rates & Services Charges			8.3%	10.2%	9.8%	0.7%	0.0%	7.4%	7.7%	7.8%
Expenditure										
% Increase in Total Operating Expenditure			1.3%	10.6%	4.5%	7.3%	0.0%	3.3%	7.6%	5.9%
% Increase in Employee Costs			11.4%	12.5%	7.5%	(1.4%)	0.0%	5.5%	4.7%	5.0%
% Increase in Electricity Bulk Purchases			14.5%	8.3%	7.9%	0.0%	0.0%	14.2%	14.2%	14.2%
R&M % of PPE	2.1%	3.7%	4.8%	5.3%	5.2%	5.2%	3.9%	4.1%	4.9%	
Asset Renewal and R&M as a % of PPE	2.0%	4.0%	8.0%	6.0%	6.0%	6.0%	4.0%	5.0%	5.0%	
Debt Impairment % of Total Billable Revenue	0.0%	1.2%	2.0%	0.0%	3.4%	3.4%	3.1%	2.9%	2.7%	
Capital Revenue										
Internally Funded & Other (R'000)		34 478	22 412	22 207	14 430	17 517	17 517	7 215	3 730	-
Borrowing (R'000)		73 964	67 544	70 634	48 923	48 770	48 770	32 346	30 000	30 000
Grant Funding and Other (R'000)		54 833	53 809	38 090	36 368	58 498	58 498	64 354	60 878	73 961
Internally Generated funds % of Non Grant Funding		31.8%	24.9%	23.9%	23.5%	26.4%	26.4%	18.2%	11.1%	0.0%
Borrowing % of Non Grant Funding		68.2%	75.1%	76.1%	76.5%	73.6%	73.6%	81.8%	88.9%	100.0%
Grant Funding % of Total Funding		33.5%	37.4%	29.1%	37.2%	46.0%	46.0%	61.9%	54.3%	71.0%
Capital Expenditure										
Total Capital Programme (R'000)		163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 605	103 561
Asset Renewal		-	4 147	47 032	28 139	32 838	32 838	20 758	21 000	6 500
Asset Renewal % of Total Capital Expenditure		0.0%	2.9%	35.9%	28.8%	26.7%	26.7%	20.0%	22.2%	6.3%
Cash										
Cash Receipts % of Rate Payer & Other		104.9%	91.5%	102.1%	99.6%	99.8%	99.8%	101.2%	99.9%	99.3%
Cash Coverage Ratio		3.1	1.8	1.2	1.6	1.5	1.5	1.5	1.9	2.4
Borrowing										
Capital Charges to Operating		8.2%	6.8%	7.3%	7.6%	7.0%	7.0%	7.3%	7.1%	7.0%
Borrowing Receipts % of Capital Expenditure		101.4%	43.0%	55.3%	65.2%	65.5%	65.5%	75.8%	88.9%	100.0%
Reserves										
Surplus/(Deficit)		130 018	89 356	96 147	129 920	144 149	144 149	117 777	148 095	182 152
Free Services										
Free Basic Services as a % of Equitable Share		90.1%	88.7%	82.3%	80.2%	80.2%	80.2%	74.8%	72.4%	71.3%
Free Services as a % of Operating Revenue (excl. operational transfers)		14.8%	11.7%	11.2%	10.4%	10.0%	10.0%	11.0%	11.1%	11.1%
High Level Outcome of Funding Compliance										
Total Operating Revenue		597 482	703 871	736 376	784 474	810 351	810 351	895 035	973 222	1 028 409
Total Operating Expenditure		742 525	752 070	832 022	869 588	933 322	933 322	964 529	1 037 493	1 098 202
Surplus/(Deficit) Budgeted Operating Statement		(145 043)	(48 199)	(95 646)	(85 115)	(122 971)	(122 971)	(69 494)	(64 271)	(69 863)
Surplus/(Deficit) Considering Reserves and Cash Backing		130 018	89 356	96 147	129 920	144 149	144 149	117 777	148 095	182 152
MTREF Funded (1) / Unfunded (0)		1	1	1	1	1	1	1	1	1
MTREF Funded (1) / Unfunded (0)		✓	✓	✓	✓	✓	✓	✓	✓	✓

2.6.4.1 Cash/cash equivalent position

The Municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year. The forecasted cash and cash equivalents for the 2015/16 MTREF shows R97,5 million, R127 million and R171,8 million for each respective financial year.

2.6.4.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 41, on page 67. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

2.6.4.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the Municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as services boycotts. The ratio is at 1.5 for the 2015/2016 MTREF.

2.6.4.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. The issue relating to depreciation has been discussed at length elsewhere in this report. This indicator cannot be measured as depreciation offset do not form part of the GRAP reporting framework. It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

2.6.4.5 Property Rates/service revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

The factor is calculated by deducting the maximum macro-economic inflation target increase (which is currently 6 per cent). Refer to Annexure C for Tariff List and Increases.



Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. It can be seen that the outcome is at 101.2, 99.9, and 99.3 per cent for each of the respective financial years. Given that the assumed collection rate was based on a 99 per cent performance target, the cash flow statement has been accurately determined. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly.

2.6.4.6 Debt impairment expense as a percentage of billable revenue

Overstrand Municipality did not provide for Debt impairment under the Financial performance as the methodology for determining the provision for debt impairment will result in a decrease in the provision. The provision is set to decrease.

2.6.4.7 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. The municipality aims to ensure strict compliance with the legislative requirement that creditors be paid within 30 days.

2.6.4.8 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. It can be seen that borrowing equates to 85, 89 and 100 per cent of own funded capital.

Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The Municipality has budgeted for all transfers.

2.6.4.9 Consumer debtors change (Current and Non-current)

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position.

2.6.4.10 Repairs and maintenance expenditure level

This measure must be considered within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the municipality's strategy pertaining to asset management and repairs and maintenance are contained in Table 56 MBRR SA34c on page 86.

2.6.4.11 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 55 MBRR SA34b on page 85.



2.7 Expenditure on grants and reconciliations of unspent funds

Table 43 MBRR SA19 - Expenditure on transfers and grant programmes

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	33 973	38 956	45 033	54 673	3 218	3 218	67 709	74 702	82 187
Local Government Equitable Share	31 156	36 146	41 949	52 021	-	-	64 598	72 270	79 604
Finance Management	1 250	698	1 300	884	1 450	1 450	1 450	1 475	1 550
Municipal Systems Improvement	790	780	540	-	-	-	-	957	1 033
EPWP Incentive	777	1 332	1 244	1 768	1 768	1 768	1 661	-	-
Municipal Disaster Recovery Grant	-	-	-	-	-	-	-	-	-
Provincial Government:	4 032	2 724	22 802	3 734	4 778	4 778	22 615	33 184	14 986
Housing	3 186	1 659	18 689	183	412	412	17 141	27 480	3 876
Community Development Worker Grant	78	70	49	52	70	70	72	76	80
Main Road Subsidy	65	65	2 651	97	97	97	114	-	-
Sport & Recreation Grant	-	-	-	-	-	-	-	-	-
Provincial Library Grant	840	691	795	3 182	3 182	3 182	5 288	5 567	5 890
Emergency Housing Programme (EHP)	-	-	-	220	220	220	-	-	-
Financial Management Support Grant	-	-	155	-	759	759	-	-	-
Nelson Mandela commemoration Grant	-	-	100	-	-	-	-	-	-
Greenest Municipality	-	-	12	-	38	38	-	-	-
HCE	63	19	47	-	-	-	-	-	-
Mobility Strategy	-	2	106	-	-	-	-	-	-
Tusong Service Centre Grant	-	218	218	-	-	-	-	71	140
Other grant providers:	158	222	894	-	-	-	-	-	-
Spaces 4 Sport/Friedrich Naumann Foundation	158	200	627	-	-	-	-	-	-
ICT Projects for Libraries/Samras Usergroup	-	22	267	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants	38 161	41 902	68 730	58 407	7 996	7 996	90 324	107 886	97 173
Capital expenditure of Transfers and Grants									
National Government:	54 183	36 911	25 094	24 174	24 174	24 174	30 347	26 126	29 187
Municipal Infrastructure Grant (MIG)	13 971	16 947	18 755	20 674	20 674	20 674	21 417	22 126	23 187
Public Transport and Systems	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure	36 212	15 174	-	-	-	-	-	-	-
Municipal Systems Improvement	-	20	350	934	934	934	930	-	-
INEP	2 000	1 800	2 026	2 000	2 000	2 000	8 000	4 000	6 000
Finance Management	-	552	-	566	566	566	-	-	-
Neighbourhood Development Partnership	2 000	2 418	3 963	-	-	-	-	-	-
Provincial Government:	650	16 898	12 996	10 060	31 990	31 990	33 007	34 750	44 374
Housing	-	16 651	10 404	7 810	29 740	29 740	29 973	34 750	44 374
Sport & Recreation Grant	-	-	100	100	100	100	-	-	-
Public transport non-motorised infrastructure grant	-	-	2 482	-	-	-	-	-	-
Provincial Library Grant	-	13	10	2 150	2 150	2 150	3 034	-	-
Mobility strategy (pound) CDW	650	234	-	-	-	-	-	-	-
Other grant providers:	-	500	-	2 134	2 051	2 051	1 000	-	-
DWA ACIP	-	-	-	1 000	1 000	1 000	-	-	-
Spaces 4 Sport	-	-	-	51	51	51	-	-	-
National Lotto	-	500	-	1 083	1 000	1 000	1 000	-	-
Total capital expenditure of Transfers and Grants	54 833	54 309	38 090	36 368	58 215	58 215	64 354	60 876	73 561
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	92 993	96 211	106 820	94 775	66 211	66 211	154 678	168 762	170 734

Table 44 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

WC032 Overstrand - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Operating transfers and grants:									
National Government:									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	33 973	38 956	45 033	54 673	56 511	56 511	67 709	74 702	82 187
Conditions met - transferred to revenue	33 973	38 956	45 033	54 673	56 511	56 511	67 709	74 702	82 187
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Provincial Government:									
Balance unspent at beginning of the year	129	174	153	-	683	683	-	-	-
Current year receipts	10 697	2 703	23 332	3 734	4 174	4 174	22 615	33 184	14 986
Transfer to creditor/debtor	(3 310)	-	-	-	(79)	(79)	-	-	-
Conditions met - transferred to revenue	4 032	2 724	22 802	3 734	4 174	4 174	22 615	33 184	14 986
Conditions still to be met - transferred to liabilities	3 485	153	683	-	-	-	-	-	-
District Municipality:									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Other grant providers:									
Balance unspent at beginning of the year	125	240	669	-	361	361	-	-	-
Current year receipts	270	652	586	-	185	185	-	-	-
Conditions met - transferred to revenue	156	222	894	-	546	546	-	-	-
Conditions still to be met - transferred to liabilities	240	669	361	-	-	-	-	-	-
Total operating transfers and grants revenue	38 161	41 902	68 730	58 407	61 835	61 835	90 324	107 886	97 173
Total operating transfers and grants - CTBM	3 725	822	1 044	-	-	-	-	-	-
Capital transfers and grants:									
National Government:									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	54 183	36 911	26 068	24 174	23 608	23 608	30 347	26 126	29 187
Transfer to creditor/debtor	-	-	(974)	-	-	-	-	-	-
Conditions met - transferred to revenue	54 183	36 911	25 094	24 174	23 608	23 608	30 347	26 126	29 187
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Provincial Government:									
Balance unspent at beginning of the year	981	3 642	6 961	-	2 382	2 382	-	-	-
Current year receipts	-	20 217	8 819	10 060	30 516	30 516	33 007	34 750	44 374
Transfer to creditor/debtor	-	-	(402)	-	(8)	(8)	-	-	-
Conditions met - transferred to revenue	650	16 898	12 996	10 060	32 890	32 890	33 007	34 750	44 374
Conditions still to be met - transferred to liabilities	331	6 961	2 382	-	-	-	-	-	-
District Municipality:									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Other grant providers:									
Balance unspent at beginning of the year	-	500	-	-	-	-	-	-	-
Current year receipts	500	-	-	2 134	2 051	2 051	1 000	-	-
Conditions met - transferred to revenue	-	500	-	2 134	2 051	2 051	1 000	-	-
Conditions still to be met - transferred to liabilities	500	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue	54 833	54 309	38 090	36 368	58 549	58 549	64 354	60 876	73 561
Total capital transfers and grants - CTBM	831	6 961	2 382	-	-	-	-	-	-



2.8 Councillor and employee benefits

Table 45 MBRR SA22 - Summary of councillor and staff benefits

Summary of Employee and Councillor remuneration	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	6 717	7 084	7 415	7 968	7 911	7 911	8 037	8 527	9 047
Pension and UIF Contributions					-	-			
Medical Aid Contributions					-	-			
Motor Vehicle Allowances					-	-			
Cellphone Allowance			518	548	605	605	638	665	694
Housing Allowances					-	-			
Other benefits and allowances					-	-			
Sub Total - Councillors	6 717	7 084	7 933	8 516	8 516	8 516	8 674	9 192	9 741
% increase		5.5%	12.0%	7.3%	-	-	1.9%	6.0%	6.0%
Senior Managers of the Municipality									
Basic Salaries and Wages	7 082	8 100	8 566	9 190	9 190	9 190	9 735	10 311	10 938
Pension and UIF Contributions					-	-			
Medical Aid Contributions					-	-			
Overtime					-	-			
Performance Bonus					-	-			
Motor Vehicle Allowance					-	-			
Cellphone Allowance	128	139	139	163	163	163	154	163	172
Housing Allowances					-	-			
Other benefits and allowances		3			-	-			
Payments in lieu of leave		82			-	-			
Long service awards					-	-			
Post-retirement benefit obligations					-	-			
Sub Total - Senior Managers of Municipality	7 210	8 324	8 706	9 354	9 354	9 354	9 889	10 473	11 110
% increase		15.5%	4.6%	7.4%	-	-	5.7%	5.9%	6.1%
Other Municipal Staff									
Basic Salaries and Wages	126 414	143 857	158 389	175 220	170 729	170 729	189 457	198 284	210 347
Pension and UIF Contributions	21 014	24 051	25 104	29 321	29 321	29 321	31 735	33 672	35 725
Medical Aid Contributions	7 354	8 176	8 828	11 463	11 463	11 463	11 818	12 327	13 079
Overtime	12 030	12 428	14 370	13 913	13 913	13 913	15 046	15 963	16 937
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	8 240	9 178	9 750	11 760	11 760	11 760	11 314	11 025	11 174
Cellphone Allowance	725	1 785	1 402	1 474	1 474	1 474	1 348	1 434	1 434
Housing Allowances	1 023	1 046	967	1 018	1 018	1 018	1 002	1 008	1 008
Other benefits and allowances	10 461	9 254	10 083	11 118	11 118	11 118	10 621	10 965	11 233
Provision for Accrued Leave		2 056	1 659	2 350	2 350	2 350	729	773	819
Provision for Long service awards		690	3 587	1 200	1 291	1 291	1 802	2 028	2 815
Provision for Bonus		-	-	-	500	500	455	482	511
Post-retirement benefit obligations	13 467	10 795	17 799	11 875	11 925	11 925	6 578	6 973	7 391
Sub Total - Other Municipal Staff	200 729	223 317	251 939	270 713	266 863	266 863	281 705	294 934	312 473
% increase		11.3%	12.8%	7.5%	(1.4%)	-	5.6%	4.7%	5.9%
Total Parent Municipality	214 656	238 726	268 577	288 582	284 732	284 732	300 268	314 600	333 324
		11.2%	12.5%	7.4%	(1.3%)	-	5.5%	4.8%	6.0%
TOTAL SALARY, ALLOWANCES & BENEFITS	214 656	238 726	268 577	288 582	284 732	284 732	300 268	314 600	333 324
% increase		11.2%	12.5%	7.4%	(1.3%)	-	5.5%	4.8%	6.0%



Table 46 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum							
Councillors							
Speaker		609 285		25 512			634 797
Chief Whip							-
Executive Mayor		761 605		25 512			787 117
Deputy Executive Mayor		609 285		25 512			634 797
Executive Committee		1 713 615		78 536			1 790 151
Total for all other councillors		4 342 886		484 728			4 827 614
Total Councillors	-	8 036 676	-	637 800			8 674 476
Senior Managers of the Municipality							
Municipal Manager (MM)		1 768 175		22 872			1 791 047
Chief Finance Officer		1 613 208		19 872			1 633 080
Management Services		1 212 924		22 872			1 235 796
Community Services		1 345 353		22 872			1 368 225
Infrastructure & Planning		1 624 404		22 872			1 647 276
LED		1 100 164		19 872			1 120 036
Protection Services		1 070 390		22 872			1 093 262
Total Senior Managers of the Municipality	-	9 734 618	-	154 104	-		9 888 722
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	-	17 771 294	-	791 904	-		18 563 198



Table 47 MBRR SA24 – Summary of personnel numbers

WC032 Overstrand - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	2013/14			Current Year 2014/15			Budget Year 2015/16		
	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities									
Councillors (Political Office Bearers plus Other Councillors)	25	7		25	7		25	7	
Board Members of municipal entities									
Municipal employees									
Municipal Manager and Senior Managers	7	7		7	7		7	7	-
Other Managers	57	49		57	49		61	54	-
Professionals	53	52	-	54	52	-	54	40	-
Finance	22	21		22	21		23	15	-
Spa/flow planning	8	8		9	8		8	7	-
Information Technology									
Roads	8	8		8	8		8	8	-
Electricity	5	5		5	5		5	1	-
Water	4	4		4	4		4	3	-
Sanitation	3	3		3	3		3	3	-
Refuse	3	3		3	3		3	3	-
Other									
Technicians	213	203	-	213	203	-	215	194	-
Finance									
Spa/flow planning	6	6		6	6		6	5	-
Information Technology	3	3		3	3		4	3	-
Roads	3	2		3	2		3	3	-
Electricity	22	18		22	18		22	15	-
Water	4	2		4	2		5	4	-
Sanitation	6	4		6	4		6	5	-
Refuse	3	3		3	3		3	3	-
Other	166	165		166	165		166	156	-
Clerks (Clerical and administrative)	189	177		189	177		186	162	-
Service and sales workers	54	51		54	51		114	106	-
Skilled agricultural and fishery workers									
Craft and related trades									
Plant and Machine Operators	42	23		42	23		45	40	-
Elementary Occupations	487	474		487	474		492	477	-
TOTAL PERSONNEL NUMBERS	1 127	1 043	-	1 128	1 043	-	1 199	1 087	-
% increase				0.1%	-	-	6.3%	4.2%	-
Total municipal employees headcount	1 102	1 036		1 102	1 036		1 174	1 080	
Finance personnel headcount	126	116		126	11		111	116	
Human Resources personnel headcount	19	18		19	18		18	18	

2.9 Monthly targets for revenue, expenditure and cash flow



Table 48 MBRR SA25 - Budgeted monthly revenue and expenditure

R thousands	Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework	
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +22017/18
Revenue By Source	Property rates	15 127	12 605	12 889	12 669	12 895	12 999	12 845	13 647	12 668	13 134	12 804	12 889	182 236	173 308
	Property rates - penalties & collection charges	481	64	79	67	66	66	66	67	66	65	62	132	891	800
	Service charges - electricity revenue	33 517	32 483	30 465	27 514	28 424	26 403	23 222	20 417	20 841	28 802	29 860	32 541	338 877	371 835
	Service charges - water revenue	7 011	5 878	7 016	7 037	9 158	10 166	12 449	9 788	9 644	9 144	7 133	7 588	102 045	107 700
	Service charges - sanitation revenue	4 835	4 571	4 817	4 821	5 307	5 368	7 389	5 799	5 106	5 305	5 270	6 258	66 375	70 881
	Service charges - refuse revenue	5 026	4 939	4 968	5 019	5 032	5 020	4 751	4 878	4 862	4 902	4 865	4 748	58 488	63 861
	Service charges - other	993	736	682	765	1 565	1 375	593	765	889	511	412	2 152	11 659	12 653
	Rental of facilities and equipment	578	536	594	617	586	603	480	568	438	558	823	156	6 346	6 348
	Interest earned - external investments	205	227	209	210	189	200	203	210	203	204	200	177	2 437	2 660
	Interest earned - outstanding debitors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Fines	514	445	607	514	428	959	643	1 022	656	901	626	24 544	31 659	32 766
	Licences and permits	182	201	141	185	157	142	213	201	162	182	200	234	2 190	2 408
	Agency services	208	198	170	246	253	217	274	207	204	237	228	519	3 267	3 594
	Contributions (voluntary) - capital	22 503	1 188	402	154	469	29 334	578	3 753	14 359	13 542	1 427	3 664	90 324	107 886
	Other revenue	891	1 192	1 394	1 510	1 678	1 833	1 440	1 237	1 567	1 678	1 342	880	19 643	18 150
	Other charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Revenue (including capital transfers and contributions)	91 459	64 488	64 481	61 799	64 141	65 348	65 647	61 587	59 277	73 306	63 344	161 477	885 055	973 222
Expenditure By Type	Employee related costs	11 682	20 717	21 109	20 529	32 182	31 168	24 411	25 983	22 565	28 650	21 262	24 516	291 593	305 408
	Retention of council assets	722	722	722	722	722	722	722	722	722	722	722	722	8 674	9 102
	Depreciation	11 126	-	-	-	-	-	-	-	-	-	-	-	22 792	22 792
	Depreciation & asset replacement	-	-	-	-	-	-	-	-	-	-	-	-	111 362	118 043
	Capital charges	-	-	-	-	-	-	-	-	-	-	-	-	48 895	49 780
	Risk pool charges	3 176	34 350	21 727	3 174	12 885	9 952	10 054	10 054	10 119	10 119	10 119	22 883	183 573	221 126
	Other materials	2 191	2 008	4 156	3 005	5 885	21 138	10 303	14 933	17 768	21 278	15 642	8 783	97 891	89 831
	Contracted services	881	4 285	3 716	6 644	5 451	9 375	4 334	4 334	3 837	4 276	8 609	8 783	125 322	135 442
	Tenders and grants	3 871	3 680	3 841	3 859	3 745	4 146	1 970	8 161	9 559	21 378	12 631	40 034	125 322	135 442
	Other expenditure	2 044	4 311	4 621	5 277	6 175	5 106	9 385	4 837	3 263	4 886	3 925	4 110	48 497	54 867
	Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	58 021	61 821
	Total Expenditure	42 943	73 499	73 496	68 034	78 214	80 439	73 451	70 551	71 646	101 336	73 877	148 953	864 529	1 037 401
	Surplus (Deficit)	48 516	(8 819)	(8 855)	(6 335)	(12 114)	1 809	(6 144)	(6 533)	7 632	(22 030)	(8 493)	(12 476)	(12 476)	(12 476)
	Contributions (voluntary) - capital	2 690	2 024	1 534	3 010	4 634	7 266	3 565	2 505	4 399	7 412	5 313	18 813	63 354	69 178
	Contributed funds	-	-	-	-	-	-	-	-	-	-	-	-	1 000	-
	Surplus (Deficit) after capital transfers & contributions	51 406	(6 795)	(7 321)	(3 315)	(7 480)	9 136	(3 100)	(6 028)	12 031	(14 618)	(3 181)	(25 664)	(15 140)	(3 359)
	Surplus (Deficit)	51 406	(6 795)	(7 321)	(3 315)	(7 480)	9 136	(3 100)	(6 028)	12 031	(14 618)	(3 181)	(25 664)	(15 140)	(3 359)

OVERSTRAND MUNICIPALITY
20 MAY 2015
OVERSTRAND MUNICIPALITY

Table 49 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

R thousand	Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue by Vote																
	Vote 1 - Council	22 355	34	28	493	55	19 038	34	31	16 545	6 117	36	41	64 608	72 470	79 794
	Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 3 - Management Services	62	25	4	114	35	5	61	21	19	60	32	553	991	1 018	1 094
	Vote 4 - Finance	19 076	16 454	16 619	16 766	16 435	16 456	16 509	7 810	13 469	13 980	14 022	12 722	180 339	191 921	204 338
	Vote 5 - Community Services	17 193	23 302	18 451	17 090	7 592	23 856	22 821	21 132	23 031	27 834	24 744	45 911	272 957	284 007	300 538
	Vote 6 - Local Economic Development	25	331	227	355	36	546	126	67	83	521	269	514	3 091	1 573	1 750
	Vote 7 - Infrastructure & Planning	31 871	23 776	28 663	25 890	39 016	34 600	24 854	31 474	24 930	29 341	25 064	80 048	399 527	443 945	473 675
	Vote 8 - Protection Services	879	758	609	1 001	992	806	1 281	1 451	1 181	1 453	1 225	26 040	37 676	36 164	40 802
	Total Revenue by Vote	91 459	64 680	64 601	61 709	64 161	95 308	65 687	61 967	79 277	79 306	65 384	165 831	959 389	1 034 098	1 101 971
Expenditure by Vote to be appropriated																
	Vote 1 - Council	4 837	4 958	4 924	5 211	6 080	6 042	4 970	3 456	5 108	5 997	4 464	14 850	71 496	78 640	87 821
	Vote 2 - Municipal Manager	274	143	284	504	357	584	449	429	316	449	383	317	4 469	3 643	3 865
	Vote 3 - Management Services	4 416	4 813	4 778	2 458	3 095	4 931	2 611	3 496	4 467	656	2 986	4 621	43 327	46 629	48 384
	Vote 4 - Finance	2 592	3 857	10 100	10 038	8 768	8 271	6 188	4 929	2 350	3 679	3 497	5 479	69 750	71 154	75 197
	Vote 5 - Community Services	10 130	27 005	21 285	25 954	32 279	46 063	34 431	33 147	21 856	42 037	32 495	14 809	341 492	371 463	399 545
	Vote 6 - Local Economic Development	306	638	498	402	519	415	549	529	1 383	611	862	1 988	8 731	7 464	7 931
	Vote 7 - Infrastructure & Planning	18 078	29 032	28 346	19 820	21 015	23 492	16 878	20 738	32 383	47 756	25 711	75 545	355 753	387 020	407 279
	Vote 8 - Protection Services	2 310	3 053	3 281	3 647	4 161	3 041	4 375	3 827	3 782	5 153	3 450	29 373	69 453	72 280	75 270
	Total Expenditure by Vote	42 943	73 499	73 496	68 034	76 274	93 439	72 451	70 551	71 646	101 336	73 877	146 983	964 529	1 037 493	1 098 292
	Surplus/(Deficit) before assoc.	48 516	(8 819)	(8 895)	(6 325)	(12 114)	1 869	(6 764)	(8 583)	7 632	(22 030)	(8 493)	18 847	(5 140)	(3 395)	3 679
	Surplus/(Deficit)	48 516	(8 819)	(8 895)	(6 325)	(12 114)	1 869	(6 764)	(8 583)	7 632	(22 030)	(8 493)	18 847	(5 140)	(3 395)	3 679



Table 51 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

R thousand	Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
	<u>Multi-year expenditure to be appropriated</u>															
	Vote 1 - Council													-	-	-
	Vote 2 - Municipal Manager													-	-	-
	Vote 3 - Management Services													-	-	-
	Vote 4 - Finance													-	-	-
	Vote 5 - Community Services		366	400	4 850	3 850	4 850	116	1 700	1 450	700	700	2 528	21 911	4 500	4 000
	Vote 6 - Local Economic Development													-	-	-
	Vote 7 - Infrastructure & Planning				410	821	410	410	821	821	821	821	6 117	11 451	3 000	3 000
	Vote 8 - Protection Services													-	-	-
	<u>Capital multi-year expenditure sub-total</u>	-	366	400	5 261	4 671	5 260	526	2 521	2 271	1 521	1 521	9 045	33 362	7 500	7 000
	<u>Single-year expenditure to be appropriated</u>															
	Vote 1 - Council													-	-	-
	Vote 2 - Municipal Manager													-	-	-
	Vote 3 - Management Services													-	-	-
	Vote 4 - Finance		126	267	-	-	-	26	77	20	429	1 444	137	2 528	-	-
	Vote 5 - Community Services	100	162	1 157	4 223	4 750	3 671	421	4 413	5 250	4 526	5 553	22 123	56 606	72 106	79 561
	Vote 6 - Local Economic Development													-	-	-
	Vote 7 - Infrastructure & Planning		35	630	230	500		30	140	2 050	2 110	2 100	3 055	10 920	15 000	17 000
	Vote 8 - Protection Services													295	-	-
	<u>Capital single-year expenditure sub-total</u>	100	353	2 654	4 453	5 250	3 671	479	4 630	7 400	7 665	9 527	25 560	70 552	87 106	96 561
	<u>Total Capital Expenditure</u>	100	719	2 654	9 714	9 931	8 931	1 005	7 151	9 671	8 985	11 048	34 604	103 914	94 606	103 561



Table 52 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

WC032 Overstrand - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
	Budget Year 2015/16												Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June			
R thousand															
Capital Expenditure - Standard															
Governance and administration															
Executive and council															
Budget and treasury office															
Corporate services															
Community and public safety															
Community and social services															
Sport and recreation															
Public safety															
Housing															
Health															
Economic and environmental services															
Planning and development															
Road transport															
Environmental protection															
Trading services															
Electricity															
Water															
Waste water management															
Waste management															
Other															
Total Capital Expenditure - Standard	100	719	2 451	9 714	9 931	9 931	1 005	7 151	9 871	9 235	11 048	33 954	103 914	94 406	103 561



Table 53 MBRR SA30 - Budgeted monthly cash flow

MONTHLY CASH FLOWS											
R thousand	Budget Year 2015/16										
	July	August	Sept.	October	November	December	January	February	March	April	May
Cash Receipts By Source											
Property rates	15 142	12 919	12 904	13 015	12 909	13 014	12 958	13 063	12 972	13 189	12 918
Service charges - refuse & collection charges	33 552	32 819	30 499	27 607	28 454	26 432	23 447	20 453	26 971	28 624	30 042
Service charges - electricity revenue	7 019	5 884	7 024	7 045	9 168	10 209	12 463	9 800	9 655	9 554	7 141
Service charges - water revenue	4 640	4 576	4 962	4 826	5 313	5 074	7 297	5 806	6 113	5 311	5 276
Service charges - sanitation revenue	5 031	4 945	5 001	5 025	5 038	5 025	4 797	4 984	4 887	4 998	4 970
Service charges - refuse revenue	994	737	663	766	1 567	1 376	994	705	1 991	512	412
Rental of facilities and equipment	578	536	594	627	558	663	480	558	438	558	623
Interest earned - on term investments	205	227	209	210	189	200	203	219	203	204	200
Interest earned - outstanding debits	514	445	607	514	428	959	643	1 022	656	901	626
Agency services	182	201	141	141	165	157	142	213	201	102	200
Agency services	208	196	170	246	253	217	274	207	204	237	229
Master receipts - operational	22 833	21 138	24 402	24 444	24 559	29 324	30 818	3 753	14 359	13 542	14 237
Other Cash Receipts By Source	32 473	65 624	65 615	62 723	65 175	94 322	66 701	63 001	80 291	80 320	66 288
Total Cash Receipts By Source	34 982	87 716	87 745	85 741	85 228	103 182	89 448	85 997	84 280	87 320	71 298
Cash Payments by Type											
Remuneration of employees	19 134	30 369	20 561	19 886	31 433	36 029	24 633	26 434	29 459	26 351	20 744
Remuneration of contractors	722	722	722	722	722	722	722	722	722	722	722
Finance charges	149	—	—	5 174	12 885	9 602	19 105	—	127	1 569	15 642
Black purchase - Electricity	3 175	24 350	24 722	10 697	12 885	21 139	19 105	14 933	17 768	21 259	15 642
Black purchase - Water & Sewer	2 191	3 026	4 326	5 026	4 685	6 375	4 334	4 334	3 852	4 376	6 599
Other	981	6 265	3 716	6 644	5 491	4 660	5 769	8 076	8 559	21 376	12 831
Contracted services	3 871	3 960	3 941	3 828	2 745	4 148	1 569	1 569	3 278	3 259	3 286
Transfers and grants - other municipalities	2 413	2 413	2 413	2 413	2 413	2 413	2 413	2 413	2 413	2 413	2 413
Transfers and grants - other	33 443	63 696	63 696	58 524	66 774	83 924	63 924	61 124	64 124	91 645	64 124
Total Cash Payments by Type	34 982	87 716	87 745	85 741	85 228	103 182	89 448	85 997	84 280	87 320	71 298
Cash Receipts by Type											
Capital assets	1 081	719	2 454	9 714	9 931	8 931	1 005	7 151	9 871	9 285	11 048
Repayment of borrowing	1 081	743	755	4 882	1 052	2 880	1 508	844	757	5 167	1 114
Total Cash Payments by Type	34 982	87 716	87 745	85 741	85 228	103 182	89 448	85 997	84 280	87 320	71 298
Net (Increase)/Decrease in Cash Held	60 239	1 855	(1 459)	(7 860)	(12 354)	7 333	34 311	(4 022)	11 659	(18 977)	(5 256)
Net (Increase)/Decrease in Cash Held	60 239	1 855	(1 459)	(7 860)	(12 354)	7 333	34 311	(4 022)	11 659	(18 977)	(5 256)
Net (Increase)/Decrease in Cash Held	60 239	1 855	(1 459)	(7 860)	(12 354)	7 333	34 311	(4 022)	11 659	(18 977)	(5 256)
Net (Increase)/Decrease in Cash Held	60 239	1 855	(1 459)	(7 860)	(12 354)	7 333	34 311	(4 022)	11 659	(18 977)	(5 256)
Net (Increase)/Decrease in Cash Held	60 239	1 855	(1 459)	(7 860)	(12 354)	7 333	34 311	(4 022)	11 659	(18 977)	(5 256)
Net (Increase)/Decrease in Cash Held	60 239	1 855	(1 459)	(7 860)	(12 354)	7 333	34 311	(4 022)	11 659	(18 977)	(5 256)
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Net (Increase)/Decrease in Cash Held	60 239	1 855	(1 459)	(7 860)	(12 354)	7 333	34 311	(4 022)	11 659	(18 977)	(5 256)
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Net (Increase)/Decrease in Cash Held	60 239	1 855	(1 459)	(7 860)	(12 354)	7 333	34 311	(4 022)	11 659	(18 977)	(5 256)
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Net (Increase)/Decrease in Cash Held	60 239	1 855	(1 459)	(7 860)	(12 354)	7 333	34 311	(4 022)	11 659	(18 977)	(5 256)
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Net (Increase)/Decrease in Cash Held	60 239	1 855	(1 459)	(7 860)	(12 354)	7 333	34 311	(4 022)	11 659	(18 977)	(5 256)
Net (Increase)/Decrease in Cash Held	60 239	1 855	(1 459)	(7 860)</							

2.10 Annual budgets and SDBIP

The SDBIP must be approved by the Executive Mayor no later than 28 days after the approval of the budget.

2.11 Contracts having future budgetary implications

In terms of the Municipality's Supply Chain Management Policy all contracts awarded beyond the medium-term revenue and expenditure framework (three years) are listed in Table 70 on page 105. In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

2.12 Capital expenditure details

The following four tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets, the repair and maintenance of assets and finally, the depreciation of assets.



Table 54 MBRR SA 34a - Capital expenditure on new assets by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	133 045	108 252	90 511	34 500	34 003	34 003	44 873	24 326	41 887
Infrastructure - Road transport	12 754	15 578	9 203	800	1 332	1 332	14 979	5 000	5 000
Roads, Pavements & Bridges	5 477	10 720	9 160	-	-	-	12 103	4 000	4 000
Storm water	7 278	4 858	43	800	1 332	1 332	2 877	1 000	1 000
Infrastructure - Electricity	30 061	22 203	24 180	13 900	13 900	13 900	21 728	8 500	14 500
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	30 061	22 203	24 180	13 900	13 900	13 900	21 728	8 500	14 500
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	57 384	48 634	7 300	-	580	580	4 737	4 726	11 787
Dams & Reservoirs	-	-	-	-	-	-	-	-	6 000
Water purification	57 384	48 634	-	-	-	-	-	-	-
Reticulation	-	-	7 300	-	580	580	4 737	4 726	5 787
Infrastructure - Sanitation	32 650	16 478	8 449	9 000	8 892	8 892	3 420	8 100	10 600
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	32 650	16 478	8 449	9 000	8 892	8 892	3 420	8 100	10 600
Infrastructure - Other	196	5 359	1 400	10 200	9 300	9 300	10	-	-
Waste Management	196	5 359	1 400	10 200	9 300	9 300	10	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	6 183	20 997	13 896	18 286	38 167	38 167	25 611	45 550	55 174
Parks & gardens	-	2 156	-	-	-	-	-	-	-
Sportfields & stadia	5 538	1 964	5 471	151	1 051	1 051	1 823	6 800	6 800
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	3	-	2 000	2 000	2 000	3 080	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	295	-	-
Security and policing	645	223	-	-	-	-	-	-	-
Bus	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	16 851	4 943	12 480	31 521	31 521	29 973	34 750	44 374
Other	-	-	3 482	3 635	3 595	3 595	440	4 000	4 000
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	795	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	795	-	-	-	-	-	-
Other assets	23 116	9 038	18 697	16 815	17 778	17 778	2 672	3 730	-
General vehicles	8 800	-	4 660	10 525	10 525	10 525	120	3 000	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	3 838	-	961	2 546	2 682	2 682	2 528	-	-
Furniture and other office equipment	148	-	-	2 508	2 369	2 369	-	730	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	12 332	-	510	-	-	-	-	-	-
Other Land	-	-	9 075	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	9 038	-	-	-	-	-	-	-
Other	-	-	3 461	1 235	2 200	2 200	29	-	-
Agricultural assets	-	-	-	-	-	-	-	-	-
Let sub-class	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Let sub-class	-	-	-	-	-	-	-	-	-
Intangibles	928	1 330	-	-	-	-	-	-	-
Computers - software & programming	928	1 330	-	-	-	-	-	-	-
Other (let sub-class)	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	163 275	139 617	93 999	89 581	89 946	89 948	83 156	73 606	87 081



Table 55 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	–	131	39 529	25 209	28 384	28 384	16 600	21 300	6 800
Infrastructure - Road transport	–	131	8 892	5 400	6 300	6 300	–	–	–
Roads, Pavements & Bridges	–	–	8 892	5 400	6 300	6 300	–	–	–
Storm water	–	131	–	–	–	–	–	–	–
Infrastructure - Electricity	–	–	12 955	3 100	3 100	3 100	–	5 500	1 500
Generation	–	–	–	–	–	–	–	–	–
Transmission & Reticalation	–	–	12 955	3 100	3 100	3 100	–	5 500	1 500
Street Lighting	–	–	–	–	–	–	–	–	–
Infrastructure - Water	–	–	16 331	12 800	15 905	15 905	11 653	10 000	4 000
Dams & Reservoirs	–	–	–	–	–	–	–	–	–
Water purification	–	–	–	–	–	–	–	–	–
Reticalation	–	–	16 331	12 800	15 905	15 905	11 653	10 000	4 000
Infrastructure - Sanitation	–	–	1 711	3 900	3 179	3 179	4 947	5 500	1 000
Reticalation	–	–	–	–	–	–	–	–	–
Sewerage purification	–	–	1 711	3 900	3 179	3 179	4 947	5 500	1 000
Infrastructure - Other	–	–	1 641	–	–	–	–	–	–
Waste Management	–	–	1 641	–	–	–	–	–	–
Transportation	–	–	–	–	–	–	–	–	–
Gas	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Community	–	756	5 886	2 939	4 454	4 454	4 158	–	–
Parks & gardens	–	–	–	–	–	–	–	–	–
Sportsfields & stadia	–	–	225	2 939	1 565	1 565	4 158	–	–
Swimming pools	–	–	–	–	–	–	–	–	–
Community halls	–	–	–	–	–	–	–	–	–
Libraries	–	–	–	–	–	–	–	–	–
Recreational facilities	–	–	–	–	–	–	–	–	–
Fire, safety & emergency	–	–	–	–	–	–	–	–	–
Security and policing	–	–	–	–	–	–	–	–	–
Buses	–	–	–	–	–	–	–	–	–
Clinics	–	–	–	–	–	–	–	–	–
Museums & Art Galleries	–	–	–	–	–	–	–	–	–
Cemeteries	–	756	–	–	–	–	–	–	–
Social rental housing	–	–	5 461	–	2 889	2 889	–	–	–
Other	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–
Buildings	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Housing development	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Other assets	–	3 260	1 817	–	–	–	–	–	–
General vehicles	–	3 260	–	–	–	–	–	–	–
Specialised vehicles	–	–	–	–	–	–	–	–	–
Plant & equipment	–	–	–	–	–	–	–	–	–
Computers - hardware/equipment	–	–	833	–	–	–	–	–	–
Furniture and other office equipment	–	–	–	–	–	–	–	–	–
Abattoirs	–	–	–	–	–	–	–	–	–
Markets	–	–	–	–	–	–	–	–	–
Civic Land and Buildings	–	–	–	–	–	–	–	–	–
Other Buildings	–	–	–	–	–	–	–	–	–
Other Land	–	–	–	–	–	–	–	–	–
Surplus Assets - (Investment/Inventory)	–	–	984	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Agricultural assets	–	–	–	–	–	–	–	–	–
List sub-class	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
List sub-class	–	–	–	–	–	–	–	–	–
Intangible	–	–	–	–	–	–	–	–	–
Computers - software & programming	–	–	–	–	–	–	–	–	–
Other (list sub-class)	–	–	–	–	–	–	–	–	–
Total Capital Expenditure on renewal of existing asset	–	4 147	47 032	26 139	32 838	32 838	29 758	21 800	6 800
Renewal of Existing Assets as % of total capex	0.0%	2.9%	25.3%	28.8%	27.9%	27.9%	24.3%	22.2%	12.6%
Renewal of Existing Assets as % of deprecn	0.0%	4.0%	47.3%	75.8%	31.1%	31.1%	18.6%	12.6%	6.8%



Table 56 MBRR SA34c - Repairs and maintenance expenditure by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	43 120	47 048	129 145	136 752	136 752	136 752	111 448	117 885	133 341
Infrastructure - Road transport	25 843	42 236	63 749	68 640	68 640	68 640	57 090	60 842	64 640
Roads, Pavements & Bridges	25 231	39 790	60 016	62 232	62 232	62 232	51 401	54 748	58 089
Storm water	811	2 446	3 732	8 308	8 308	8 308	5 689	8 094	8 452
Infrastructure - Electricity	4 901	14 105	20 488	25 491	25 491	25 491	16 835	17 340	22 891
Generation									
Transmission & Retention	4 901	14 105	20 488	25 491	25 491	25 491	16 835	17 340	22 891
Street Lighting									
Infrastructure - Water	6 892	21 502	27 931	26 775	26 775	26 775	22 974	24 001	24 393
Dams & Reservoirs	92	80							
Water purification	1 709	1 963							
Retention	5 132	19 439	27 931	26 775	26 775	26 775	22 974	24 001	24 393
Infrastructure - Sanitation	4 659	7 708	15 486	14 146	14 146	14 146	12 159	12 963	16 387
Retention	3 687	6 623							
Sewerage purification	882	1 085	15 486	14 146	14 146	14 146	12 159	12 963	16 387
Infrastructure - Other	1 215	1 439	1 491	1 800	1 800	1 800	2 492	2 719	4 130
Waste Management	1 215	1 439	1 491	1 800	1 800	1 800	2 492	2 719	4 130
Transportation									
Gas									
Other									
Community	6 012	5 408	7 349	9 298	9 298	9 298	4 546	4 391	8 211
Parks & gardens	1 410	1 503	2 504	2 819	2 819	2 819	2 084	2 218	3 501
Sportsfields & stadia	456	956	853	1 023	1 023	1 023	586	642	1 206
Swimming pools	228	289	279	302	302	302	483	513	553
Community halls	734	916	914	906	906	906	964	999	1 076
Libraries	180	181	184	171	171	171	98	105	174
Recreational facilities									
Fire, safety & emergency	538	848	787	1 185	1 185	1 185			
Security and policing	524	548	575	781	781	781			
Buses									
Clerical									
Museums & Art Galleries									
Comptones	97	62	53	53	53	53	27	29	51
Social rental housing									
Other	1 905	125	1 065	1 724	1 724	1 724	701	286	1 382
Heritage assets									
Buildings									
Other									
Investment properties	270								
Housing development	270								
Other									
Other assets	15 443	21 958	13 864	16 218	16 218	16 218	5 081	4 559	9 203
General vehicles	4 882	5 309							
Specialised vehicles									
Plant & equipment									
Computers - hardware/equipment	4 309	5 035	4 441	6 157	6 157	6 157			
Furniture and other office equipment									
Alarms									
Maps									
Civic Land and Buildings									
Other Buildings	1 023	1 368	824	1 214	1 214	1 214	681	701	1 249
Other Land									
Surplus Assets - (Investment or Inventory)									
Other	5 429	10 155	8 599	8 846	8 846	8 846	4 420	3 858	7 953
Agricultural assets									
Lat sub-class									
Biological assets									
Lat sub-class									
Intangibles									
Computers - software & programming									
Other (lat sub-class)									
Total Repairs and Maintenance Expenditure	64 445	114 414	150 358	162 268	162 268	162 268	121 077	126 814	150 754
R&M as a % of PPE	2.1%	2.7%	4.8%	5.2%	5.2%	5.2%	2.9%	4.1%	4.9%
R&M as % Operating Expenditure	8.7%	15.2%	18.1%	16.7%	17.4%	17.4%	12.4%	12.3%	13.7%

Table 57 MBRR SA34d – Depreciation by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Depreciation by Asset Class/Sub-class									
Infrastructure	87 037	81 931	85 101	93 344	91 038	91 038	84 154	89 803	105 792
Infrastructure - Road transport	36 340	29 092	30 210	31 514	31 812	31 812	32 235	34 109	36 219
Roads, Pavements & Bridges	34 105	27 959	27 965	29 490	29 367	29 367	29 645	31 424	33 309
Storm water	2 235	2 033	2 245	2 021	2 245	2 245	2 590	2 745	2 910
Infrastructure - Electricity	18 441	18 779	18 887	22 789	21 569	21 569	20 158	21 368	22 650
Generation									
Transmission & Retention	18 441	18 779	18 887	22 789	21 569	21 569	20 158	21 368	22 650
Street Lighting									
Infrastructure - Water	16 029	16 865	18 974	20 368	18 533	18 533	19 981	21 179	22 450
Dams & Reservoirs	16 029	16 865	18 974	20 368					
Water purification									
Retention					18 533	18 533	19 981	21 179	22 450
Infrastructure - Sanitation	13 422	13 420	14 103	15 067	17 128	17 128	17 034	18 056	19 140
Retention	13 422	13 420	14 103	15 067	15 067	15 067	17 034	18 056	19 140
Sewerage purification					2 061	2 061			
Infrastructure - Other	2 804	2 874	2 928	3 607	2 196	2 196	4 748	5 031	5 332
Waste Management	2 168	2 256	2 928	3 607	2 196	2 196	3 930	4 166	4 416
Transportation									
Gas									
Other	637	618					818	865	917
Community	4 359	2 851	2 961	4 822	3 305	3 305	3 601	3 817	4 046
Parks & gardens									
Sportsfields & clubs									
Swimming pools									
Community halls									
Libraries									
Recreational facilities	4 359	2 851	2 961	4 822	3 305	3 305	3 601	3 817	4 046
Fire, safety & emergency									
Security and policing									
Busnet									
Clinics									
Museums & Art Galleries									
Cemeteries									
Social rental housing									
Other									
Heritage assets									
Buildings									
Other									
Investment properties									
Housing development									
Other									
Other assets	12 427	19 253	10 670	10 218	10 236	10 236	12 481	13 230	14 923
General vehicles	2 077	2 360	2 588	2 360	2 360	2 360			
Specialised vehicles									
Plant & equipment									
Computers - hardware/equipment	1 334	1 946	2 213	1 948	2 002	2 002			
Furniture and other office equipment	244	254	251	254	322	322			
Assets									
Markets									
Civic Land and Buildings							5 685	6 026	6 388
Other Buildings	5 900	5 467	5 508	5 954	5 551	5 551			
Other Land									
Surplus Assets - (Investment or inventory)									
Other	3 111	9 224					6 798	7 204	7 536
Agricultural assets									
List sub-class									
Biological assets									
List sub-class									
Intangibles	219	373	629	883	883	883	1 129	1 193	1 265
Computers - software & programming	219	373	629	883	883	883			
Other (list sub-class)							1 129	1 193	1 265
Total Depreciation	104 041	104 408	99 381	109 368	105 461	105 461	111 382	118 843	125 126



Table 58 MBRR SA35 - Future financial implications of the capital budget

Vote Description R thousand	2015/16 Medium Term Revenue & Expenditure Framework			Forecasts			
	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Present value
Capital expenditure							
Vote 1 - Council	-	-	-				
Vote 2 - Municipal Manager	-	-	-				
Vote 3 - Management Services	2 528	-	-				
Vote 4 - Finance	-	-	-				
Vote 5 - Community Services	64 467	76 606	83 561	5 000			
Vote 6 - Local Economic Development	-	-	-				
Vote 7 - Infrastructure & Planning	18 420	18 000	20 000	15 500	5 000		
Vote 8 - Protection Services	100	-	-				
Total Capital Expenditure	85 515	94 606	103 561	20 500	5 000	-	-



Table 59 MBRR SA36 - Detailed capital budget per municipal vote

Municipal Vote/Capital project													
IDP Asset Code	Individuality Approved (Y/N)	Asset Users	Asset Use Class	GPR co-ordinates	Total Project Estimate	Prior year activities		2016/17 Medium Term Revenue & Expenditure Framework		Project Information			
						Audited Outcome 2015/16	Current Year 2016/17 Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	World Initiative	Year of completion		
1	Yes	Other	Other	347453.355.197672.22E		21.308	17.7%	300		Overland	New		
2	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
3	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
4	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
5	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
6	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
7	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
8	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
9	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
10	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
11	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
12	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
13	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
14	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
15	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
16	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
17	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
18	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
19	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
20	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
21	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
22	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
23	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
24	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
25	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
26	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
27	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
28	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
29	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
30	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
31	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
32	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
33	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
34	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
35	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
36	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
37	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
38	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
39	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
40	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
41	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
42	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
43	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
44	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
45	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
46	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
47	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
48	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
49	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
50	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
51	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
52	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
53	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
54	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
55	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
56	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
57	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
58	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
59	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
60	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
61	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
62	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
63	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
64	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
65	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
66	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
67	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
68	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
69	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
70	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
71	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
72	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
73	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
74	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
75	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
76	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
77	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
78	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
79	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
80	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
81	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
82	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
83	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
84	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
85	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
86	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
87	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
88	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
89	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
90	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
91	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
92	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
93	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
94	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
95	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
96	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
97	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
98	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
99	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		
100	Yes	Other	Other	347453.355.197672.22E				100		Overland	New		

OVERSTRAND MUNISIPAL
26 MAY 2015
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OVERSTRAND MUNISIPAL

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Detailed capital budget per municipal vote (continued)

ID	Municipal Integrated project	EIP Good code	Individually Approved (Final)	Asset Class	Asset Sub-Class	GPS Co-ordinates	Total Project Estimate	Five year outcomes		2015 to 2016 from Revenue & Expenditure Forecast		Project Information	
								Audited Outcome 2015/16	Current Year 2016/17 Forecast	Budget Year 2015/16	Budget Year 4 (Budget Year 4) 2017/18	Year Location	New or increased
WATER	REPLACEMENT OF OVERSAND WATER PIPES	2	Yes	Infrastructure - Water	Replacement	Overland water		23,621	11,294	9,151	6,000	Overland	Revised
	REPAIRING OF THE 500 PUMP STATION	2	Yes	Infrastructure - Water	Reformation	19 27 23154 - 34 27 11 852				500	1,000	Revised 11	Revised
	REPAIR WATER RESERVE SANDS	2	Yes	Infrastructure - Water	Dam & Excavate	34 27 15 726 / 33 27 362				3,500		Revised 11	Revised
	UPGRADING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Water	Refurbish	34 27 16 117 / 33 27 130				500		Revised 11	Revised
	UPGRADING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Water	Water purification	34 27 16 117 / 33 27 130				2,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Water	Dam & Excavate	34 27 16 117 / 33 27 130				3,500		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Water	Refurbish	Overland water						Overland	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Water	Refurbish	19 27 15 726 / 33 27 362				700	200	Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Water	Refurbish	19 27 15 726 / 33 27 362				2,000	2,000	Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Water	Refurbish	19 27 15 726 / 33 27 362				1,000	1,000	Revised 11	Revised
WASTE	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Water	Refurbish	19 27 15 726 / 33 27 362				1,500	2,500	Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Water	Refurbish	19 27 15 726 / 33 27 362				84		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Water	Refurbish	19 27 15 726 / 33 27 362				4		Overland	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Water	Refurbish	19 27 15 726 / 33 27 362				1		Overland	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Water	Refurbish	Overland water						Overland	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Water	Refurbish	Overland water						Overland	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	19 27 15 726 / 33 27 362				3,500	4,000	Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	19 27 15 726 / 33 27 362				3,000	5,500	Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				200		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water						Revised 11	Revised
WASTE	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,600		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				3,000	1,000	Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				100		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				400		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				200		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				200		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
WASTE	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
WASTE	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
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	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
WASTE	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000		Revised 11	Revised
	REPAIRING OF TRANSFORMER ALTERNATE CABLES	2	Yes	Infrastructure - Sanitation	Other	Overland water				1,000			

Supporting detail to budgeted financial performance (Continued)

Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand									
Contributions recognised - capital									
Public contribution - non cash - assets	4 471	4 387	7 871						
DWA ACIP project	1 302	-		1 000	1 000	1 000			
Government contribution - non cash - assets	-	180							
KM CSIR	395	-							
Spaces for sport/Lotto	156	200		51	1 134	1 134	1 000		
Ekim Solar Rebate/ Stony Point Eco Centre et	2 280	522		1 083	(83)	(83)			
Total Contributions recognised - capital	8 563	5 289	7 871	2 134	2 051	2 051	1 000	-	-
Depreciation & asset impairment									
Depreciation of Property, Plant & Equipment	100 930	94 948	99 130	109 285	105 461	105 461	111 362	118 043	125 126
Lease amortisation		235	231						
Capital asset impairment	3 111	9 224							
Depreciation resulting from revaluation of PPE									
Total Depreciation & asset impairment	104 041	104 408	99 361	109 285	105 461	105 461	111 362	118 043	125 126
Bulk purchases									
Electricity Bulk Purchases	126 669	145 022	157 055	169 444	169 444	169 444	193 573	221 138	252 628
Water Bulk Purchases									
Total bulk purchases	126 669	145 022	157 055	169 444	169 444	169 444	193 573	221 138	252 628
Transfers and grants									
Cash transfers and grants	28 454	35 856	38 749	41 370	41 668	41 668	48 497	54 667	62 244
Non-cash transfers and grants	-	-	-	-	-	-	-	-	-
Total transfers and grants	28 454	35 856	38 749	41 370	41 668	41 668	48 497	54 667	62 244
Contracted services									
Specialist services									
Other contractors									
Ward projects	5 247	5 679	2 129	1 566	1 566	1 566			
Vehicle maintenance	4 732	4 925	5 565	6 198	6 676	6 676			
Maintenance contractors	41	45 380	49 471	55 483	55 451	55 451			
Contracted services	14 059	11 713	15 488	17 816	18 773	18 773			
Maintenance Of Unspecified Assets							25 439	26 465	28 088
Maintenance Of Buildings & Facilities							15 403	16 286	17 241
Roadage							7 698	8 004	8 331
Civil							6 828	7 156	7 586
Litter Picking & Street Cleaning							6 430	6 835	7 281
Security Servs							5 219	5 905	6 260
Safeguard & Security							5 028	5 305	5 598
Business & Advisory - Valuer							4 488	1 541	1 279
Meter Management							4 367	4 588	4 854
Maintenance Of Equip							4 177	3 537	3 757
Business & Advisory - Project Management							4 017	4 115	4 417
Traffic Fines Management							3 968	4 206	4 458
Dumping Sites							3 423	3 763	4 127
Infrastructure & Planning - Ecological							2 640	2 796	2 964
Legal Cost - Legal Advice & Litigation							2 597	2 752	2 916
Chipping							2 490	2 539	2 798
Management Of Informal Settlements							1 981	2 100	2 226
Laboratory Servs - Water							1 802	1 910	2 025
Sewerage Servs							1 772	1 878	1 991
Infrastructure & Planning - Town Planner							1 703	1 802	1 910
Electrical							1 060	1 036	1 013
Other contractors							12 734	13 502	14 322
sub-total	24 079	67 897	72 754	81 062	82 467	82 467	125 322	128 122	135 442
Allocations to organs of state:									
Electricity									
Water									
Sanitation									
Other									
Total contracted services	24 079	67 897	72 754	81 062	82 467	82 467	125 322	128 122	135 442



Supporting detail to budgeted financial performance (Continued)

Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand									
Other Expenditure By Type									
Collection costs									
Contributions to 'other' provisions	3 601	3 246	(12 399)	3 010	49 216	49 216			
Consultant fees	10 766	9 376	9 431	12 858	12 858	12 858			
Audit fees (External)	2 501	2 889	3 559	4 104	4 104	4 104	4 514	4 786	5 073
General expenses	22 505	16 384	19 600	13 244	14 678	14 678	5 302	5 810	6 450
Conditional receipts expenses	54 612	4 133	28 072	3 382	5 189	5 189			
Property valuation charges	2 418	1 030	442	1 100	1 000	1 000			
Water catchment, research and testing	5 848	5 295	4 266	4 260	4 260	4 260			
Fuel and oil	9 042	9 903	11 477	12 506	12 514	12 514			
Chemicals	6 411	8 488	10 553	9 664	9 649	9 649			
Legal fees	2 766	1 669	3 017	1 700	1 940	1 940			
Telephone and fax	3 912	2 934	2 839	3 342	3 142	3 142	3 048	3 221	3 431
Tourism development	2 824	2 732	2 796	2 618	1 649	1 649			
Security services	3 435	3 759	4 262	4 325	4 495	4 495			
Solid waste dumping fees	1 375	-	-						
Solid waste haulage	4 345	6 318	7 742	8 217	8 136	8 136			
Hermanus public protection	3 903	3 921	4 251	5 029	5 029	5 029			
Training	2 748	2 363	1 804	2 300	2 299	2 299	2 000	2 120	2 247
Prepaid Electricity	2 575	3 248	3 652	4 672	4 494	4 494	3 804	4 032	4 274
Commission paid	3 416	4 014	1 019	1 145	1 145	1 145	1 213	1 286	1 363
Advertising	1 368	1 511	1 905	1 623	1 668	1 668			
Management of informal settlements	1 475	1 513	1 982	1 869	1 869	1 869	1 981	2 100	2 226
Insurance	1 651	2 145	2 363	2 750	2 500	2 500	2 350	2 696	2 796
Printing and stationery	1 868	1 875	2 035	2 309	2 309	2 309			
Solid waste chipping	2 369	2 151	2 076	2 809	2 583	2 583			
Special projects	1 059	1 270	714	868	868	868			
Workmen's Compensation Assurance				1 650	1 650	1 650	1 750	1 802	1 910
SALGA Membership Fees				2 505	2 505	2 505			
Rentals (Equipment & Offices)				1 731	1 426	1 426			
Postage & Courier Services				1 818	1 788	1 788	1 571	1 860	2 181
Decommissioning Cost							4 619	4 896	5 190
Op Cst - Prof Bodies Memb & Subs							3 365	3 416	3 617
Specialised Computer Service							2 452	2 611	2 781
Op Cst - Uniform & Protective Clothing							2 395	2 433	2 577
Operational Cost - Skills Dev Fund Lev							2 082	2 231	2 367
Infrastructure & Planning - Town Plan							1 700	1 747	1 852
Software Licences							2 051	2 184	2 326
Dumping Fees (District Council)							1 724	1 831	1 942
Bank Chgs Fac & Card Fees - Bank Account							1 639	1 738	1 842
Op Cst - Printing & Publications							1 471	1 543	1 636
Third Party Vendors							1 213	1 286	1 363
Operating Lease							1 170	1 245	1 325
Wireless Ntwrk							937	998	1 063
Corporate Municipal Activities							721	767	807
Op Cst - Remuneration To Ward Commis							689	689	689
System Adviser							634	685	740
Tenders							612	648	687
Op Cst - Levies Paid - H2O Res Man Chrg							560	575	594
Municipal Newsletters							454	483	515
Total 'Other' Expenditure	158 290	102 146	117 460	117 407	164 563	164 963	58 021	61 721	65 988
Repairs and Maintenance									
Employee related costs	15 563	27 460	35 905	40 285	40 285	40 285	45 175	47 787	50 645
Other materials	5 188	9 153	8 865	8 807	8 807	8 807	14 541	15 838	16 361
Contracted Services	12 320	21 740	32 875	34 161	34 964	34 964	35 194	37 739	39 955
Other Expenditure	31 774	56 061	72 912	79 016	79 016	79 016	26 167	25 650	43 884



Table 62 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

Description	Vote 1 - Council	Vote 2 - Municipal Manager	Vote 3 - Management Services	Vote 4 - Finance	Vote 5 - Community Services	Vote 6 - Local Economic Development	Vote 7 - Infrastructure & Planning	Vote 8 - Protection Services	Total
R thousand									
Revenue By Source									
Property rates - penalties & collection charges	-	-	-	162 730	-	-	-	-	162 730
Service charges - electricity revenue	-	-	-	891	-	-	-	-	891
Service charges - water revenue	-	-	-	616	-	-	338 281	-	338 877
Service charges - sanitation revenue	-	-	-	-	102 045	-	-	-	102 045
Service charges - refuse revenue	-	-	-	-	66 375	-	-	-	66 375
Service charges - other	-	-	-	-	59 488	-	-	-	59 488
Rental of facilities and equipment	-	-	-	-	11 815	-	43	-	-
Interest earned - external investments	-	-	-	6 348	-	-	-	-	11 859
Dividends received	-	-	-	2 437	-	-	-	-	6 348
Fines	-	-	-	-	-	-	-	-	2 437
Licences and permits	-	-	-	-	67	-	-	-	-
Agency services	-	-	-	-	484	-	-	-	-
Other revenue	210	-	-	-	-	-	-	31 792	31 859
Transfers recognised - operational	64 598	61	-	5 868	1 749	1 430	-	1 706	2 190
Gains on disposal of PPE	-	-	-	1 450	5 474	1 661	6 117	2 970	2 970
Total Revenue (excluding capital transfers and	64 808	-	61	180 339	247 498	3 091	361 363	37 676	895 035
Expenditure By Type									
Employee related costs	8 330	4 026	19 897	37 335	141 871	4 813	44 590	30 731	291 593
Remuneration of councillors	8 674	-	-	-	-	-	-	-	8 674
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	22	18	2 267	298	79 250	126	28 206	22 792	22 792
Finance charges	-	-	54	119	30 030	-	-	1 175	111 362
Bulk purchases	-	-	-	-	-	-	-	-	46 895
Other materials	20	34	309	377	24 070	128	193 573	2 298	193 573
Contracted services	-	-	7 403	2 408	57 475	423	30 566	10 573	57 801
Transfers and grants	46 570	-	278	-	-	1 649	47 038	-	125 322
Other expenditure	7 671	411	1 380	29 197	8 920	3 241	5 318	1 884	48 497
Loss on disposal of PPE	-	-	-	-	-	-	-	-	58 021
Total Expenditure	71 287	4 485	31 588	69 733	341 618	10 379	365 982	69 453	964 529
Surplus/(Deficit)	(6 479)	(4 485)	(31 527)	110 606	(94 120)	(7 288)	(4 420)	(31 777)	(69 494)
Transfers recognised - capital	-	-	930	-	24 451	-	37 973	-	63 354
Contributions recognised - capital	-	-	-	-	1 000	-	-	-	1 000
Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers &	(6 479)	(4 485)	(30 597)	110 606	(68 669)	(7 288)	33 553	(31 777)	(5 140)
Contributions									

Table 63 MBRR Table SA3 – Supporting detail to Statement of Financial Position

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
ASSETS									
Call investment deposits									
Call deposits < 90 days	75 000	55 042	50 039						
Other current investments > 90 days									
Total Call investment deposits	75 000	55 042	50 039	-	-	-	-	-	-
Consumer debtors									
Consumer debtors	68 475	65 941	63 810	69 091	69 091	69 091	67 774	71 841	76 151
Less: Provision for debt impairment	(18 114)	(16 916)	(16 359)	(16 500)	(16 500)	(16 500)	(16 000)	(15 500)	(15 000)
Total Consumer debtors	50 361	49 025	47 451	52 591	52 591	52 591	51 774	56 341	61 151
Debt impairment provision									
Balance at the beginning of the year	20 232	18 114	16 916	17 000	17 000	17 000	16 500	16 000	15 500
Contributions to the provision	(190)	694	(107)						
Bad debts written off	(1 928)	(1 732)	(449)	(500)	(500)	(500)	(500)	(500)	(500)
Balance at end of year	18 114	16 916	16 359	16 500	16 500	16 500	16 000	15 500	15 000
Property, plant and equipment (PPE)									
PPE at cost/valuation (excl. finance leases)	5 709 629	5 819 933	5 900 309	6 061 941	6 126 505	6 126 505	6 120 657	6 215 263	6 318 825
Leases recognised as PPE	1 208	1 379	139	1 406	1 406	1 406	6 923	6 923	6 923
Less: Accumulated depreciation	2 637 623	2 724 192	2 789 352	2 990 924	2 987 120	2 987 120	3 005 433	3 122 509	3 246 567
Total Property, plant and equipment (PPE)	3 073 014	3 097 120	3 111 056	3 072 423	3 140 791	3 140 791	3 122 147	3 099 677	3 079 088
LIABILITIES									
Current liabilities - Borrowing									
Short term loans (other than bank overdraft)	374	485	63	1 176	1 135	1 135	1 271	1 352	1 538
Current portion of long-term liabilities	16 424	17 756	20 381	23 929	23 929	23 929	26 841	29 378	32 831
Total Current liabilities - Borrowing	16 798	18 241	20 443	25 105	25 064	25 064	28 113	30 730	34 370
Trade and other payables									
Trade and other creditors	63 172	71 706	61 516	55 831	50 563	50 563	74 229	70 679	84 789
Unspent conditional transfers	4 555	7 783	3 425	-	-	-	-	-	-
VAT									
Total Trade and other payables	67 727	79 489	64 943	55 831	50 563	50 563	74 229	70 679	84 789
Non current liabilities - Borrowing									
Borrowing	340 561	364 394	392 444	407 225	407 225	407 225	411 667	412 288	409 060
Finance leases (including PPP asset element)	623	238	-	4 541	5 604	5 604	4 333	2 981	1 443
Total Non current liabilities - Borrowing	341 204	364 632	392 444	411 766	412 829	412 829	415 999	415 269	410 503
Provisions - non-current									
Retirement benefits	71 562	79 887	95 535	92 875	107 290	107 290	113 727	120 561	127 784
List other major provision items									
Refuse landfill site rehabilitation	32 057	31 933	24 054	36 617	64 550	64 550	78 422	82 528	86 880
Other	7 478	7 498	8 938	8 008	9 040	9 040	9 520	10 028	10 668
Total Provisions - non-current	111 097	119 319	128 527	137 501	180 879	180 879	201 669	213 107	225 231
CHANGES IN NET ASSETS									
Accumulated Surplus/(Deficit)									
Accumulated Surplus/(Deficit) - opening balance	2 584 679	2 847 332	2 855 854	2 857 322	2 857 322	2 857 322	2 738 817	2 733 677	2 730 282
GRAP adjustments	364 261	(9 929)	(6 220)						
Restated balance	2 928 940	2 837 403	2 849 634	2 857 322	2 857 322	2 857 322	2 738 817	2 733 677	2 730 282
Surplus/(Deficit)	(81 807)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 355)	3 679
Appropriations to Reserves									
Transfers from Reserves		1 333	620						
Depreciation offices									
Other adjustments									
Accumulated Surplus/(Deficit)	2 847 332	2 849 634	2 805 240	2 808 575	2 791 899	2 791 899	2 733 677	2 730 282	2 733 960
Reserves									
Housing Development Fund	1 920	1 891	2 565	1 934	2 573	2 573	2 637	2 703	2 757
Capital replacement									
Self-insurance									
Other reserves									
Revaluation									
Total Reserves	1 920	1 891	2 565	1 934	2 573	2 573	2 637	2 703	2 757
TOTAL COMMUNITY WEALTH/EQUITY	2 849 252	2 851 526	2 807 805	2 810 509	2 794 472	2 794 472	2 736 314	2 732 985	2 736 717



Table 64 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

Description of economic indicator	Basis of calculation	2011 Census	2007 Survey	2011 Census	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics											
Population		95	75	80	83	87	90	93	97	101	108
Females aged 5 - 14		3	6	5	5	6	6	6	6	7	7
Males aged 5 - 14		3	6	5	5	6	6	6	6	7	7
Females aged 15 - 34		6	12	13	14	14	15	15	16	16	18
Males aged 15 - 34		6	11	14	14	15	15	15	16	17	18
Unemployment		5	8	4	4	5	5	5	5	5	6
Monthly household income (no. of households)											
No income		2 226	770	4 505	4 759	4 940	5 128	5 323	5 525	5 735	5 953
R1 - R1 600		6 149	5 307	5 306	5 528	5 738	5 957	6 183	6 418	6 662	6 915
R1 601 - R3 200		3 742	3 177	4 878	5 063	5 256	5 455	5 653	5 878	6 101	6 333
R3 201 - R6 400		3 244	3 789	4 362	4 525	4 700	4 878	5 064	5 256	5 455	5 663
R6 401 - R12 800		2 303	2 750	3 830	3 975	4 127	4 283	4 448	4 615	4 791	4 971
R12 801 - R25 600		920	1 947	2 896	3 006	3 120	3 239	3 362	3 490	3 622	3 760
R25 601 - R51 200		227	1 066	1 465	1 511	1 563	1 628	1 690	1 754	1 821	1 890
R51 201 - R102 400		77	184	486	504	524	544	564	586	608	631
R102 401 - R204 800		44	176	109	113	117	122	127	131	136	142
R204 801 - R409 600		27		81	84	87	91	94	98	101	105
R409 601 - R819 200											
> R819 200											
Poverty profiles (no. of households)											
< R2 060 per household per month	# households earning	6 149	5 307	5 306	5 528.00	5 738.00	5 957.00	6 183.00	6 418.00	6 662.00	6 915.00
Insert description											
Household demographics (000)											
Number of people in municipal area	State SA	55 012	74 546	80 432	83 486	86 661	89 954	93 372	96 920	100 803	106 249
Number of poor people in municipal area	State SA	21 953	28 008	37 433	38 956	40 332	41 865	43 456	45 107	46 821	48 600
Number of households in municipal area	State SA	6 439	16 317	17 277	18 285	19 469	20 651	21 968	23 350	24 891	26 491
Definition of poor household (R per month)	State SA	2 201	4 561	4 561	4 801	5 121	5 401	5 725	6 069	6 433	6 833
Housing statistics											
Formal				22 662	22 938	23 152	23 599	23 812	24 415	24 913	25 293
Informal				2 538	3 421	3 407	3 330	3 188	3 188	3 188	3 188
Total number of households				25 200	26 359	26 559	26 929	27 000	27 603	28 101	28 481
Dwellings provided by municipality			88	410	-	-	183	-	333	218	80
Dwellings provided by provinces			-	-	-	-	-	-	-	-	-
Dwellings provided by private sector		116	470	209	246	214	254	213	270	280	300
Total new housing dwellings		116	558	619	246	214	447	213	603	498	380

Table 65 MBRR SA11 – Property rates summary

WC032 Overstrand - Supporting Table SA11 Property rates summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Valuation:									
Date of valuation:	02/07/2007	02/07/2011	02/07/2011						
Financial year valuation used	2008/2009	2012/2013	2012/2013	2012/2013			2012/2013		
Municipal by-laws s 56 in place? (Y/N)	Yes	Yes	Yes				Yes		
Municipal/assistant valuer appointed? (Y/N)	Yes	Yes	Yes				Yes		
Municipal partnership s38 used? (Y/N)	No	No	No				No	No	No
No. of assistant valuers (FTE)	2	2	2	2	2	2	2	2	2
No. of data collectors (FTE)	6	6	6	12	12	12	6	6	6
No. of internal valuers (FTE)	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	4	4	3	3	3	3	3	3	3
No. of additional valuers (FTE)	-	-	-	1	1	1	-	-	-
Valuation appeal board established? (Y/N)	Yes	Yes	Yes				Yes		
Implementation time of new valuation roll (mths)		36	24	12			-		
No. of properties	40 907	40 801	41 025	41 230	41 230	41 230	41 848	41 492	41 492
No. of sectional title values	2 396	2 383	2 623	2 636	2 636	2 636	2 634	2 647	2 661
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	1	2	3	2	2	2	1	1	1
No. of valuation roll amendments	2	3	3	2	2	2	12	12	12
No. of objections by rate payers	24	830	103	100	100	100	1 500	400	400
No. of appeals by rate payers	1	53	5	10	10	10	150	40	40
No. of successful objections	5		24	20	20	20	750	200	200
No. of successful objections > 10%	-	137	14	10	10	10	75	20	20
Supplementary valuation	3 323	4 998	4 233	4 487	4 487	4 487	3 610	3 628	3 646
Public service infrastructure value (Rm)	38	40	40	43	43	43	83	83	83
Municipality owned property value (Rm)	701	694	694	736	736	736	737	741	745
Valuation reductions:									
Valuation reductions-public infrastructure (Rm)	41	40	40	43	43	43	85	85	85
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	276	277	279
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	458	453	453	480	480	480	434	436	438
Valuation reductions-public worship (Rm)	211	209	209	222	222	222	258	259	260
Valuation reductions-other (Rm)	2 067	2 046	2 046	2 169	2 169	2 169	2 254	2 265	2 276
Total valuation reductions:	2 776	2 749	2 749	2 913	2 913	2 913	3 306	3 323	3 339
Total value used for rating (Rm)	39 491	39 152	39 152	41 501	41 501	41 501	39 998	40 198	40 399
Total land value (Rm)	22 148	21 360	21 360	22 642	22 642	22 642	22 151	22 262	22 373
Total value of improvements (Rm)	20 119	20 540	20 540	21 772	21 772	21 772	21 153	21 259	21 365
Total market value (Rm)	42 267	41 900	41 900	44 414	44 414	44 414	43 304	43 521	43 739
Rating:									
Residential rate used to determine rate for other categories? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Differential rates used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Limit on annual rate increase s20? (Y/N)	No	No	No	No	No	No	No	No	No
Special rating area used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Phasing-in properties s21 (number)	No	No	No	No	No	No	No	No	No
Rates policy accompanying budget? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Fixed amount minimum value (R'000)				100			220		
Non-residential prescribed ratio s19? (%)	46.0%	48.6%	51.4%	51.5%			51.0%		
Rate revenue:									
Rate revenue budget (R'000)	112 600	120 278	134 994	148 520	148 520	148 520	157 847	165 298	175 174
Rate revenue expected to collect (R'000)	112 600	120 278	134 994	148 520	148 520	148 520	157 847	165 298	175 174
Expected cash collection rate (%)	87.6%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Special rating areas (R'000)	-	-	-	-	-	-	-	-	-
Rates, exemptions - indigent (R'000)	-	-	-	-	-	-	-	-	-
Rates, exemptions - pensioners (R'000)	205	319 487	353	401	401	401	425	450	477
Rates, exemptions - bona fide farm (R'000)	634	1 652 839	69	79	79	79	83	89	94
Rates, exemptions - other (R'000)	2 190	3 707 751	3 410	3 875	3 875	3 875	4 108	4 354	4 615
Phase-in reductions/discounts (R'000)									
Total rates, exemptions, reductions, discounts (R'000)	3	5 680	3 833	4 355	4 355	4 355	4 616	4 893	5 187



Table 67 MBRR SA12b – Property rates by category (budget year)

Description	Real.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settla.	Comm. Land	State trust land	Section 31(2)(c) (note 1)	Project Areas	National Monuments	Public benefit organs.	Mining Progs.
Budget Year 2015/16																
Valuation:																
No. of properties	37 600	-	1 638	289	191	1 875	545	-	-	-	-	-	114	-	139	-
No. of sectional title properties	2 253	-	360	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably affected properties (U7)	-	1	-	1	1	1	1	-	1	1	1	1	1	1	1	1
No. of supplementary valuations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary valuation (Rm)	TOTAL 3608	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
No. of objections by rate-payers	1 200	-	200	100	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers	300	-	50	50	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful appeals	300	-	50	50	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful appeals > 10%	60	-	10	5	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued	100 TOTAL	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Yearly stock adjustment (valued)	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Frequency of valuation (valued)	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Method of valuation used (valued)	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (valued)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing to properties (21 (number))	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contribution of rating types used (7 (Y/N))	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
Flat rate used (7 (Y/N))	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
Is balance rated by uniform rate/variable rate?	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable
Valuation reductions:																
Valuation reductions - public infrastructure (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions - nature reserves/parks (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions - rental rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions - R15,000 for school (Rm)	-434	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions - public security (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions - other (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:	2 254	-	-	-	-	-	-	-	-	-	-	-	-	-	222	-
Rate base:																
Average rate	0.004420	-	0.006700	0.001110	0.000700	-	0.004420	-	0.004420	0.000700	-	-	-	-	0.004140	-
Rate revenue budget (R' 000)	118 824	3 648	22 188	634	18 201	-	-	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)	118 824	1 503	22 188	634	18 201	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	100.0%	2 115	100.0%	100.0%	100.0%	-	-	-	-	-	-	-	-	-	-	-
Special rating areas (R'000)	-	3 648	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reliefs, exemptions - budget (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reliefs, exemptions - post-2014 (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reliefs, exemptions - local bus fare (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reliefs, exemptions - other (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rate revenue (R'000)	425	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rate revenue (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

25 MAY 2015
OVERSTRAND MUNICIPALITY

Table 68 MBRR SA13a – Service tariffs by category

Description	Provide description of tariff structure where appropriate	2015/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
						Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Property rates (rate in the Rand)								
Residential properties		34 952 280	100 066 700	91 898 000	107 822 000	97 925 000	102 523 000	108 674 380
Residential properties - vacant land						18 899 000	19 788 000	20 972 180
Formal/informal settlements								
Small holdings								
Farm properties - used		166 487	287 327	221 000	259 000	634 000	964 000	703 640
Farm properties - not used								
Industrial properties								
Business and commercial properties		17 562 116	19 923 518	18 416 000	21 567 000	22 188 000	23 230 000	24 623 800
Communal land - residential								
Communal land - small holdings								
Communal land - farm property								
Communal land - business and commercial								
Communal land - other								
State-owned properties				18 285 000	9 072 000	9 201 000	9 056 000	20 590 360
Municipal properties								
Public service infrastructure								
Privately owned towns serviced by the owner								
State trust land								
Residual and redistribution properties								
Protected areas								
National monument properties								
Exemptions, reductions and rebates (Rand)								
Residential properties								
R15 000 threshold rebate		15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate		15 000	15 000	15 000	15 000	15 000	15 000	15 000
Indigent rebate or exemption		35 000	100 000	100 000	100 000	220 000	220 000	220 000
Pensioners/social grants rebate or exemption		50 000	100 000	100 000	100 000	220 000	220 000	220 000
Temporary relief rebate or exemption		30-100%	30-100%	30-100%	30-100%	40-100%	40-100%	40-100%
Strong law farmers rebate or exemption		75%	75%	75%	75%	75%	75%	75%
Other rebates or exemptions								
Water tariffs								
Domestic								
Basic charge/fee (Rand/month)		88	93	96	102	102	111	118
Service point - vacant land (Rand/month)		88	93	96	102	102	111	118
Water usage - flat rate tariff (ok)								
Water usage - flat rate tariff	Consumption - Households			307	329	325	345	365
Water usage - Block 1 (ok)	0 - 5 l per l	-	-	811	1 005	1 005	1 065	1 129
Water usage - Block 2 (ok)	7 - 20 l per l	702	746	1 316	1 631	1 631	1 729	1 833
Water usage - Block 3 (ok)	21 - 30 l per l	702	1 200	2 026	2 512	2 512	2 663	2 822
Water usage - Block 4 (ok)	31 - 60 l per l	1 755	1 860	2 632	3 263	3 263	3 459	3 666
Other	> 60 l	2 369	2 518	3 500	4 351	4 351	4 612	4 889
Waste water tariffs								
Domestic								
Basic charge/fee (Rand/month)		75	81	86	91	91	96	102
Service point - vacant land (Rand/month)		161	123	130	108	108	118	122
Waste water - flat rate tariff (ok)		811	877	960	1 028	1 028	1 088	1 153
Volumetric charge - Block 1 (ok)	Basic charge - pumps	51	54	58	61	61	65	69
Volumetric charge - Block 2 (ok)	Service per pump	361	373	398	419	419	444	471
Volumetric charge - Block 3 (ok)	(R in structure)							
Volumetric charge - Block 4 (ok)	(R in structure)							
Other								
Electricity tariffs								
Domestic								
Basic charge/fee (Rand/month)		152	158	163	204	204	216	229
Service point - vacant land (Rand/month)		152	158	163	204	204	216	229
FSE	Quality for indigent (describe structure)							
Life-line tariff - meter	<30 Amp	720	795	795	888	888	929	996
Life-line tariff - prepaid								
Flat rate tariff - meter (ok)	Credit meter							
Flat rate tariff - prepaid (ok)								
Meter - BT Block 1 (ok)	0 - 350 kWh	720	861	686	953	959	1 017	1 078
Meter - BT Block 2 (ok)	361 - 600 kWh	280	1 132	1 201	1 300	1 300	1 378	1 461
Meter - BT Block 3 (ok)	> 600 kWh	1 140	1 328	1 448	1 567	1 567	1 681	1 781
Meter - BT Block 4 (ok)	(R in threshold)							
Meter - BT Block 5 (ok)	Prepaid meter							
Prepaid - BT Block 1 (ok)	0 - 350 kWh	720	795	819	888	888	939	996
Prepaid - BT Block 2 (ok)	361 - 600 kWh	980	1 058	1 132	1 225	1 225	1 299	1 378
Prepaid - BT Block 3 (ok)	> 600 kWh	1 140	1 277	1 392	1 506	1 506	1 598	1 692
Prepaid - BT Block 4 (ok)	(R in threshold)							
Prepaid - BT Block 5 (ok)	(R in threshold)							
Other								
Waste management tariffs								
Domestic								
Street cleaning charge								
Basic charge/fee		83	113	123	130	130	138	146
80 bin - once a week								
250 bin - once a week		284	113	123	130	130	138	146



Table 69 MBRR SA13b – Service tariffs by category (explanatory)

Description	Provide description of tariff structure where appropriate	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
						Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Exemptions, reductions and rebates (Rands) <i>(Insert lines as applicable)</i>	RESIDENTIAL	0.00326	0.00360	0.00360	0.00414	0.00442	0.00438	0.00485
	BUSINESS & COMMERCIAL	0.00476	0.00545	0.00545	0.00626	0.00670	0.00664	0.00700
	FARM PROPERTIES	0.00326	0.00090	0.00090	0.00103	0.00111	0.00109	0.00116
	VACANT					0.00605	0.00641	0.00680
Water tariffs <i>(Insert blocks as applicable)</i>	Basic charge/retic fee			96	102	102	108	115
	Service point - vacant land			96	102	102	108	115
	0 - 6 kl	-	-	307	325	325	345	365
	7 - 18 kl	702	746	811	1 005	1 005	1 065	1 129
	19 - 30 kl	702	1 200	1 316	1 631	1 631	1 729	1 833
	31 - 45 kl	1 755	1 860	2 026	2 512	2 512	2 663	2 822
	46 - 60 kl	1 755	1 980	2 632	3 263	3 263	3 459	3 666
	> 60 kl	2 369	2 518	3 509	4 351	4 351	4 612	4 889
	(Nil in thresholds)							
	(Nil in thresholds)							
Waste water tariffs <i>(Insert blocks as applicable)</i>	Basic charge per month	76	80	86	91	91	97	102
	Basic charge - vacant land	161	122	130	109	109	116	122
	Flatrate per kl	811	877	965	1 026	1 026	1 088	1 153
	Basic charge - pumps	51	54	58	61	61	65	69
	Service per pump	351	372	396	419	419	445	471
	(Nil in structure)							
	(Nil in structure)							
	(Nil in structure)							
	(Nil in structure)							
Electricity tariffs <i>(Insert blocks as applicable)</i>	Basic charge - monthly	152	158	193	204	204	216	229
	Basic charge - vacant land	152	158	193	204	204	216	229
	Flatrate - Lifetime	720	795	795	886	886	939	996
	Credit meter							
	0 - 350 KWH	720	861	861	959	959	1 017	1 078
	351 - 600 KWH	980	1 133	1 190	1 300	1 300	1 378	1 461
	> 600 KWH	1 140	1 328	1 435	1 567	1 567	1 661	1 761
	Prepaid meter							
	0 - 350 KWH	720	795	795	886	886	939	996
	351 - 600 KWH	980	1 068	1 121	1 225	1 225	1 299	1 378
	> 600 KWH	1 140	1 277	1 379	1 506	1 506	1 596	1 692
	(Nil in thresholds)							
	(Nil in thresholds)							



Table 70 MBRR SA32 – List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand
Outsourcing of sub function solid waste : Overstrand	Mths	107	Outsourcing of sub function solid waste	30 October 2022	126 345
Outsourcing of sub function solid waste : Overstrand	Mths	96	Outsourcing of sub function solid waste	01 May 2017	18 661
Note: Overstrand make use of contractual agreements to support the implementation of core function, but the definition of outsourcing do not apply to the other contracts entered into, due to ownership that is kept within the organisation					
Outsourcing of sub function: Waste water treatment	Yrs	15	Outsourcing of sub function waste water treatment	Estimated date June 2031	To be determined



Table 71 MBRR SA33 – Contracts having future budgetary implications

R thousand	Description	Preceding Years	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework			Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Total Contract Value
				Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17								
	Parent Municipality: Revenue Obligation By Contract Contract 1: SC11727011 Leasing for the operation of illuminated street signs in the Overstrand Municipality area. Term of contract 01/01/2012 until 31/05/2022. Contract 2 Contract 3 etc Total Operating Revenue Implication		194	204	214	224	236	247	269	273	263			2 114
	Expenditure Obligation By Contract Contract 1: SC6782010 Operation of the mechanised material recovery facility at the Hermanus solid waste transfer station. Term of contract 01/12/2013 until 30/10/2022. Contract 2: SC6782010 Operation of the Gansbaai landfill and public drop offs in greater Gansbaai and Sardinia. Term of contract 01/05/2010 until 01/05/2017. Contract 3 etc Total Operating Expenditure Implication Capital Expenditure Obligation By Contract		194	204	214	224	236	247	269	273	263			2 114
			1 130	1 216	1 309	1 409	1 519	1 639	1 770	1 912				11 904
			3 368	2 949	3 323	3 697	1 738							15 095
			4 518	4 165	4 631	5 107	3 258	1 639	1 770	1 912				26 959
	Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-
	Total Parent Expenditure Implication		4 518	4 165	4 631	5 107	3 258	1 639	1 770	1 912				26 959



2.15 Municipal manager's quality certificate

I, Coenraad Cornelius Groenewald, Municipal Manager of Overstrand Municipality, hereby certify that the annual budget and supporting documentation for the 2015/2016 MTREF has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name C C GROENEWALD

Municipal Manager of Overstrand Municipality (WC032)

Signature



Date

25 May 2015



ANNEXURE A

**PROPOSED AMENDMENTS TO DRAFT
BUDGET**



2015/2016 SUMMARY OF CHANGES FOR FINAL BUDGET:

OPEX

		2015/2016		2016/2017		2017/2018	
		Original Bud.		Original Bud.		Original Bud.	
1. WARD SPECIFIC PROJECTS AMENDMENTS:							
Cost Account	Unique Key	Item Description					
1.1	10 540 201 430 000	20150308122134 Cont/Service/Plant. Build/Facilities		60 000			
1.2	10 540 201 430 000	20150308122131 Upgrading of Interlocks WSP - Ward 3)		60 000			
1.3	10 540 201 430 000	20150308122131 (Heremans - Upgrading of Two Risk Tanks, WSP - Ward 3)		60 000			
1.4	10 540 201 430 000	20150308122134 Cont/Service/Plant. Build/Facilities					
1.5	10 540 201 430 000	(Upgrading of Interlocks WSP - Ward 3)					
1.6	10 540 201 430 000	20150308122131 Inventory Materials/Supplies		-7 500			
1.7	10 540 201 430 000	20150308122131 Cont/Service/Gardening/Seeds (Village Garden Foundation)		-7 500			
1.8	10 540 201 430 000	CHANGE DESCRIPTION TO Village Garden		15 000			

2. ROLL OVER PROJECTS IDENTIFIED:

2.1	Revenue/Transfers and	Revenue/Transfers and	-1 000 000	
2.2	Agency/National Lotteries Board	Agency/National Lotteries Board		
2.3				

3. LIBRARY GRANT AMENDMENTS:

3.1	OPERATIONAL BODY ASSETS LESS THAN THE CAPITALISATION THRESHOLD	OPERATIONAL BODY ASSETS LESS THAN THE CAPITALISATION THRESHOLD	46 000	
3.2	CAP. MONEY/AN INCL. LIBRARY OPER. MONEY/AN INCL. LIBRARY	CAP. MONEY/AN INCL. LIBRARY OPER. MONEY/AN INCL. LIBRARY	46 000	
3.3	2015011202060 SALES/SERVICES PARKING FEES	2015011202060 SALES/SERVICES PARKING FEES	67 000	73 700
3.4	20150112020120 RENT/ON/AND - UNDEVELOPED LAND	20150112020120 RENT/ON/AND - UNDEVELOPED LAND	43 000	47 500
3.5	20150112024397 SALES/SERVICES CEMENT/RESURFALS	20150112024397 SALES/SERVICES CEMENT/RESURFALS	100	110
3.6	20150112024408 SALES/SERVICES CEMENT/RESURFALS	20150112024408 SALES/SERVICES CEMENT/RESURFALS	14 000	15 000
3.7	20150112024403 SALES/SERVICES CEMENT/RESURFALS	20150112024403 SALES/SERVICES CEMENT/RESURFALS	1 500	1 650

EXERCISE/TYPE

2015/2016 2 038 100 60

11 863 660 000

11 863 660 000

20150112020120 RENT/ON/AND - UNDEVELOPED LAND

20150112024397 SALES/SERVICES CEMENT/RESURFALS

20150112024408 SALES/SERVICES CEMENT/RESURFALS

20150112024403 SALES/SERVICES CEMENT/RESURFALS

20150112024403 SALES/SERVICES CEMENT/RESURFALS

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20150112024403 SALES/SERVICES CEMENT/RESURFALS

20150112024403 SALES/SERVICES CEMENT/RESURFALS

20150112024403 SALES/SERVICES CEMENT/RESURFALS

2015/2016 2016/2017 2017/2018

Cost Account	Volume	Rate	Item Description	Original Est.	Current Est.	Current Est.
12 538 102 430 000	2015021202400		SALES SERVICES CEMETESIALS	4 000	4 400	4 800
12 538 102 430 000	2015021202400		SALES SERVICES PLANNING/APPLIC LAND	8 000	8 700	9 500

3. SALARY AMENDMENTS:

14 810 202 530 000	2015021202400		STAFF BASIC SALARY WAGES	-85 338		
14 810 202 740 000	2015021202400		STAFF OVERTIME NON STRUCTURED	-12 010		
14 810 202 810 000	2015021202400		STAFF ANNUAL BONUS	-7 139		
14 810 202 970 000	2015021202400		STAFF EMPLOYMENT INSURANCE FUND	-625		
14 810 202 980 000	2015021202400		STAFF PENSION	-15 361		
14 810 202 990 000	2015021202400		STAFF GROUP LIFE INSURANCE	-631		
14 810 202 995 000	2015021202400		STAFF BARGAINING COUNCIL	-81		
14 810 202 999 000	2015021202400		STAFF BASIC SALARY WAGES	85 338		
14 810 202 999 000	2015021202400		STAFF OVERTIME NON STRUCTURED	12 010		
14 810 202 999 000	2015021202400		STAFF ANNUAL BONUS	7 139		
14 810 202 999 000	2015021202400		STAFF EMPLOYMENT INSURANCE FUND	625		
14 810 202 999 000	2015021202400		STAFF PENSION	15 361		
14 810 202 999 000	2015021202400		STAFF GROUP LIFE INSURANCE	631		
14 810 202 999 000	2015021202400		STAFF BARGAINING COUNCIL	81		

4. HOUSING AMENDMENTS:

12 538 102 430 000	2015021202400		MONETARY WC HOUSING	-13 084 350		
12 538 102 430 000	2015021202400		MONETARY WC HOUSING	13 084 350		
12 538 102 430 000	2015021202400		FINISHED GOODS	-13 084 350		

5. WASTE MANAGEMENT AMENDMENTS:

138 620 140 000	2015021202400		Contracted Services - Haulage	-5 996 895	-6 512 809	-7 028 095
138 620 140 000	2015021202400		Contracted Services - Haulage	5 996 895	6 512 809	7 028 095
138 620 140 000	2015021202400		Contracted Services - Haulage	3 427 786	3 763 001	4 127 246
138 620 140 000	2015021202400		Contracted Services - Haulage	1 728 021	1 831 013	1 941 863
138 620 140 000	2015021202400		Contracted Services - Haulage	849 998	918 795	987 596

TOTAL OPEX ADJUSTMENTS

-13 840 750 150 860 139 520

TOTAL CAPEX ADJUSTMENTS

18 399 537

DRAFT BUDGET BOTTOMLINE
ADJUSTMENTS-18 981 233 -3 244 191 3 838 334
13 840 750 -150 860 -159 820

FINAL BUDGET BOTTOMLINE

-5 140 483 -3 395 051 3 678 514

DRAFT CAPITAL BUDGET TOTAL

85 515 254

TOTAL CAPEX ADJUSTMENTS

18 399 537

FINAL CAPITAL BUDGET TOTAL

103 914 091



TARIFF LIST IMPROVEMENTS AND AMENDMENTS FROM THE DRAFT BUDGET

1.	Tariff Codes: S15A1 – S15A5	Cemetery Fees; Plot Cost • No increase
2.	Tariff Codes: S32A – S32E	Parking Fee Beaches: Grotto & Kleinmond • Scrap Tariff Codes S32A – S32E
3.	Tariff Codes: S72K2A & S72K2B	Application for Departure (Building Lines) • No increase
4.	Refuse	SA2A2A: Change and correction of wording • Reference to SA2B1-SASB11 should be SA2B-SAB11 SAN3A : Change in wording • "Load weigh per ton or part of", should be "As per tariff SA2B - SA2B11 per weighed load"



ANNEXURE B

A1 SCHEDULE & A2 BUDGET CHARTS

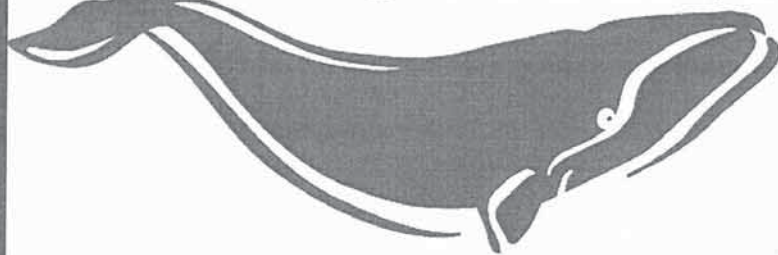


**Municipal annual budgets
and MTREF
&
supporting tables**

Version 2.7.1

Munisipaliteit • U-Masipala • Municipality

OVERSTRAND



Municipality Name: WC032 Overstrand

CFO Name: SANTIE REYNEKE-NAUDE

Tel: 028 3138040

Fax: 028 3138128

E-Mail: cfo@overstrand.gov.za

Budget for MTREF starting: 2015

Budget Year: 2015/16

Does this municipality have Entities? No



Organisational Structure Votes	Complete Votes & Sub-Votes	Select Org. Structure
Vote 1 - Council	Vote 1 Council	
Vote 2 - Municipal Manager	1.1 Council General	1.1 - Council General
Vote 3 - Management Services	1.2 Mayor's Office	1.2 - Mayor's Office
Vote 4 - Finance	1.3 Pensioners & Continued Members	1.3 - Pensioners & Continued Members
Vote 5 - Community Services	Vote 2 Municipal Manager	
Vote 6 - Local Economic Development	2.1 Municipal Manager	2.1 - Municipal Manager
Vote 7 - Infrastructure & Planning	2.2 Internal Audit	2.2 - Internal Audit
Vote 8 - Protection Services	Vote 3 Management Services	
	3.1 Director: Management Services	3.1 - Director: Management Services
	3.2 Communication	3.2 - Communication
	3.3 Legal Services	3.3 - Legal Services
	3.4 Strategic Services	3.4 - Strategic Services
	3.5 Human Resources	3.5 - Human Resources
	3.6 Info & Communication Technology	3.6 - Info & Communication Technology
	3.7 Council Support Services	3.7 - Council Support Services
	3.8 Social Development	3.8 - Social Development
	3.9 Risk Management	3.9 - Risk Management
	3.10 Municipal Court	3.10 - Municipal Court
	Vote 4 Finance	
	4.1 Director: Finance	4.1 - Director: Finance
	4.2 Deputy Director: Finance	4.2 - Deputy Director: Finance
	4.3 Accounting Services	4.3 - Accounting Services
	4.4 Expenditure & Asset Management	4.4 - Expenditure & Asset Management
	4.5 Revenue	4.5 - Revenue
	4.6 Supply Chain Management	4.6 - Supply Chain Management
	4.7 Data Control	4.7 - Data Control
	4.8 Assessment Rates	4.8 - Assessment Rates
	Vote 5 Community Services	
	5.1 Director & Administration	5.1 - Director & Administration
	5.2 Offices & Community Buildings	5.2 - Offices & Community Buildings
	5.3 Parks & Townlands, Cemeteries	5.3 - Parks & Townlands, Cemeteries
	5.4 Libraries	5.4 - Libraries
	5.5 Sport & Recreation	5.5 - Sport & Recreation
	5.6 Housing & Social Upliftment	5.6 - Housing & Social Upliftment
	5.7 Roads & Stormwater	5.7 - Roads & Stormwater
	5.8 Water	5.8 - Water
	5.9 Sewerage	5.9 - Sewerage
	5.10 Refuse	5.10 - Refuse
	Vote 6 Local Economic Development	
	6.1 Director: Economic Development & Planning	6.1 - Director: Economic Development & Planning
	6.2 Tourism	6.2 - Tourism
	6.3 Parking Services	6.3 - Parking Services
	Vote 7 Infrastructure & Planning	
	7.1 Director: Infrastructure & Planning	7.1 - Director: Infrastructure & Planning
	7.2 Deputy Director: Engineering Planning	7.2 - Deputy Director: Engineering Planning
	7.3 Engineering Services & Housing Development	7.3 - Engineering Services & Housing Development
	7.4 Town Planning	7.4 - Town Planning
	7.5 Geographical Info System (GIS)	7.5 - Geographical Info System (GIS)
	7.6 Building Control Services	7.6 - Building Control Services
	7.7 Environmental Management Services	7.7 - Environmental Management Services
	7.8 Electricity	7.8 - Electricity
	7.9 Solid Waste Planning & Solid Waste Disposal	7.9 - Solid Waste Planning & Solid Waste Disposal
	7.10 Property Administration	7.10 - Property Administration
	Vote 8 Protection Services	
	8.1 Director: Protection Services	8.1 - Director: Protection Services
	8.2 Traffic	8.2 - Traffic
	8.3 Law Enforcement	8.3 - Law Enforcement
	8.4 Vehicle Testing	8.4 - Vehicle Testing
	8.5 Fire Brigade/Disaster Management	8.5 - Fire Brigade/Disaster Management
	8.6 Vehicle Licensing	8.6 - Vehicle Licensing



WC032 Overstrand - Contact Information	
A. GENERAL INFORMATION	
Municipality	WC032 Overstrand
Grade	3
1 Grade in terms of the Remuneration of Public Office Bearers Act.	
Province	WC WESTERN CAPE
Web Address	www.overstrand.gov.za
e-mail Address	bking@overstrand.gov.za
B. CONTACT INFORMATION	
Postal address:	
P.O. Box	P.O. BOX 20
City / Town	HERMANUS
Postal Code	7200
Street address	
Building	MUNICIPAL OFFICE
Street No. & Name	MAGNOLIA STREET
City / Town	HERMANUS
Postal Code	7200
General Contacts	
Telephone number	028 313 8000
Fax number	028 313 8128
C. POLITICAL LEADERSHIP	
Speaker:	
Name	ANTON COETSEE
Telephone number	028 3138018
Cell number	063 2838 237
Fax number	028 3138067
E-mail address	acoetsee@overstrand.gov.za
Secretary/PA to the Speaker:	
Name	RENE DU PLOOY
Telephone number	028 313 8002
Cell number	028 313 8067
Fax number	028 313 8067
E-mail address	maycomsec@overstrand.gov.za
Mayor/Executive Mayor:	
Name	NICOLETTE BOTHA-GUTHRIE
Telephone number	028 3138011
Cell number	082 3766 266
Fax number	028 3138067
E-mail address	nbotha-guthrie@overstrand.gov.za
Secretary/PA to the Mayor/Executive Mayor:	
Name	ELIZE VERRIJ
Telephone number	028 3138058
Cell number	083 9255 404
Fax number	028 3138067
E-mail address	everrij@overstrand.gov.za
Deputy Mayor/Executive Mayor:	
Name	RUDOLPH SMITH
Telephone number	028 313 8191
Cell number	082 514 6411
Fax number	028 313 8067
E-mail address	rsmith@overstrand.gov.za
Secretary/PA to the Deputy Mayor/Executive Mayor:	
Name	RENE DU PLOOY
Telephone number	028 313 8002
Cell number	028 313 8067
E-mail address	maycomsec@overstrand.gov.za
D. MANAGEMENT LEADERSHIP	
Municipal Manager:	
Name	COENIE GROENEWALD
Telephone number	028 3138003
Cell number	082 5529 555
Fax number	0865689726
E-mail address	ogroenewald@overstrand.gov.za
Secretary/PA to the Municipal Manager:	
Name	RENTIA PRETORIUS
Telephone number	028 3138909
Cell number	0865689726
Fax number	0865689726
E-mail address	rpriorius@overstrand.gov.za
Chief Financial Officer:	
Name	SANTIE REYNKE-NAUDE
Telephone number	028 3138040
Cell number	082 551 4499
Fax number	028 3138128
E-mail address	cfo@overstrand.gov.za
Secretary/PA to the Chief Financial Officer:	
Name	RITA LE ROUX
Telephone number	028 313 8074
Cell number	028 313 8128
Fax number	028 313 8128
E-mail address	rleroux@overstrand.gov.za
Official responsible for submitting financial information	
Name	BERNARD KING
Telephone number	028 3138154
Cell number	
Fax number	028 313 8128
E-mail address	bking@overstrand.gov.za
Official responsible for submitting financial information	
Name	GEORGIA BUCCHIANERI
Telephone number	028 3138913
Cell number	
Fax number	028 313 8128
E-mail address	gbucchianeri@overstrand.gov.za
Official responsible for submitting financial information	
Name	VERONICA ALLEN
Telephone number	028 3138131
Cell number	
Fax number	028 313 8128
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WC032 Overstrand - Table A1 Budget Summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousands									
Financial Performance									
Property rates	109 838	121 571	135 633	148 690	154 559	154 559	163 621	174 288	185 651
Service charges	405 415	436 439	479 253	525 567	525 567	525 567	566 784	612 476	662 296
Investment revenue	6 881	7 555	8 352	6 166	6 166	6 166	6 348	6 348	6 348
Transfers recognised - operational	38 005	41 680	67 835	58 407	61 289	61 289	90 324	107 886	97 173
Other own revenue	37 344	96 627	47 302	44 644	62 770	62 770	67 957	72 224	76 942
Total Revenue (excluding capital transfers and contributions)	597 482	703 871	736 376	784 474	810 351	810 351	895 035	973 222	1 028 409
Employee costs	207 938	231 642	260 845	280 066	276 217	276 217	291 593	305 408	323 583
Remuneration of councillors	6 717	7 084	7 933	8 516	8 516	8 516	8 574	9 192	9 741
Depreciation & asset impairment	104 041	104 408	99 361	109 265	105 461	105 461	111 362	118 043	125 126
Finance charges	31 727	37 331	39 927	45 162	44 480	44 480	46 895	46 780	47 279
Materials and bulk purchases	181 251	157 482	170 650	186 739	186 759	186 759	251 374	290 789	306 221
Transfers and grants	28 454	35 856	38 749	41 370	41 668	41 668	48 497	54 667	62 244
Other expenditure	182 396	178 287	214 757	198 469	270 222	270 222	206 135	212 634	224 099
Total Expenditure	742 525	752 070	832 022	869 588	933 322	933 322	964 529	1 037 493	1 068 292
Surplus/(Deficit)	(145 043)	(48 199)	(95 646)	(85 115)	(122 971)	(122 971)	(69 494)	(64 271)	(69 883)
Transfers recognised - capital	54 833	53 809	38 090	34 234	55 498	55 498	63 354	60 876	73 561
Contributions recognised - capital & contributed assets	8 503	5 289	12 542	2 134	2 051	2 051	1 000	-	-
Surplus/(Deficit) after capital transfers & contributions	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679
Capital expenditure & funds sources									
Capital expenditure	163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 606	103 561
Transfers recognised - capital	54 833	53 809	38 090	36 368	56 498	56 498	64 354	60 876	73 561
Public contributions & donations	14 300	5 067	7 985	-	1 936	1 936	462	-	-
Borrowing	73 964	67 544	70 634	46 923	48 770	48 770	32 346	30 000	30 000
Internally generated funds	20 178	17 345	14 222	14 430	15 582	15 582	6 753	3 730	-
Total sources of capital funds	163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 606	103 561
Financial position									
Total current assets	230 033	205 668	175 465	197 146	208 517	208 517	207 929	236 802	286 386
Total non current assets	3 209 100	3 290 140	3 302 111	3 316 479	3 332 776	3 332 776	3 320 511	3 302 993	3 287 443
Total current liabilities	137 580	160 331	148 801	153 849	153 113	153 113	174 459	178 435	201 367
Total non current liabilities	452 301	483 951	520 970	549 267	593 707	593 707	617 668	628 376	635 734
Community wealth/Equity	2 849 252	2 851 526	2 807 605	2 810 509	2 794 472	2 794 472	2 736 314	2 732 985	2 736 717
Cash flows									
Net cash from (used) operating	98 981	75 920	76 816	80 014	126 676	126 676	110 861	125 532	152 720
Net cash from (used) investing	(151 774)	(146 955)	(130 368)	(103 533)	(128 597)	(128 597)	(110 144)	(100 523)	(109 575)
Net cash from (used) financing	109 489	28 482	32 764	27 163	28 183	28 183	7 409	4 515	1 669
Cash/cash equivalents at the year end	126 699	84 147	63 158	88 050	89 421	89 421	97 547	127 071	171 875
Cash backing/surplus reconciliation									
Cash and investments available	132 391	95 744	80 123	110 257	111 628	111 628	126 001	161 455	212 284
Application of cash and investments	2 373	6 388	(16 024)	(16 063)	(32 522)	(32 522)	8 224	13 360	30 132
Balance - surplus (shortfall)	130 018	89 356	96 147	126 920	144 149	144 149	117 777	148 095	182 152
Asset management									
Asset register summary (WCV)	3 181 234	3 277 435	3 280 777	3 254 715	3 310 512	3 310 512	3 292 016	3 268 579	3 247 014
Depreciation & asset impairment	104 041	104 408	99 361	109 265	105 461	105 461	111 362	118 043	125 126
Renewal of Existing Assets	-	4 147	47 032	28 139	32 838	32 838	20 758	21 000	6 500
Repairs and Maintenance	64 845	114 414	150 358	162 268	163 071	163 071	121 077	126 814	150 754
Free services									
Cost of Free Basic Services provided	28 084	32 049	34 509	41 716	41 716	41 716	48 296	52 358	56 767
Revenue cost of free services provided	82 641	77 796	74 579	75 253	75 253	75 253	88 909	95 819	103 302
Households below minimum service level									
Water	-	-	-	-	-	-	-	-	-
Sanitation/sewerage	-	-	-	-	-	-	-	-	-
Energy	-	-	-	1	1	1	-	-	-
Refuse	-	-	-	-	-	-	-	-	-



Standard Classification Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Revenue - Standard									
<i>Governance and administration</i>	167 928	232 385	199 504	231 071	232 413	232 413	255 994	272 264	292 533
Executive and council	31 483	38 355	42 355	52 442	52 442	52 442	64 861	72 528	79 858
Budget and treasury office	127 745	137 728	150 786	169 095	170 420	170 420	180 330	191 521	204 328
Corporate services	8 700	56 303	6 363	9 534	9 551	9 551	10 795	7 816	8 338
<i>Community and public safety</i>	23 195	50 862	71 418	33 726	78 422	78 422	101 843	124 937	118 869
Community and social services	2 574	2 950	2 574	2 402	2 402	2 402	4 857	9 004	9 508
Sport and recreation	6 809	7 765	11 427	9 565	9 191	9 191	11 942	14 746	14 766
Public safety	10 048	20 142	29 300	13 164	36 094	36 094	37 676	39 164	40 802
Housing	3 965	19 965	29 116	8 576	30 735	30 735	47 567	62 726	53 793
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	12 963	18 567	30 962	13 939	16 496	16 496	20 033	10 931	13 254
Planning and development	8 801	7 907	12 853	8 465	8 550	8 550	9 043	8 120	8 932
Road transport	3 863	10 595	17 790	5 397	7 869	7 869	10 890	2 700	4 200
Environmental protection	299	65	319	76	76	76	101	110	121
<i>Trading services</i>	456 833	461 155	405 124	542 106	540 568	540 568	581 518	625 966	677 315
Electricity	229 498	249 645	270 880	313 388	312 305	312 305	348 361	375 057	413 102
Water	108 189	96 325	95 068	95 872	96 872	96 872	106 211	113 026	120 078
Waste water management	79 550	68 428	65 091	72 155	71 106	71 106	69 402	74 765	77 229
Waste management	36 505	46 758	53 065	59 951	60 295	60 295	59 544	53 118	56 939
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	660 918	762 969	787 007	820 842	867 900	867 900	959 389	1 034 056	1 101 971
Expenditure - Standard									
<i>Governance and administration</i>	190 332	205 248	119 512	127 368	124 670	124 670	237 278	248 313	267 049
Executive and council	58 811	67 621	71 355	66 867	68 003	68 003	82 565	99 337	108 547
Budget and treasury office	48 879	51 399	23 830	24 503	25 398	25 398	69 750	71 154	75 197
Corporate services	82 842	86 328	24 327	35 998	31 269	31 269	74 963	78 822	83 305
<i>Community and public safety</i>	124 992	87 288	134 133	113 336	136 344	136 344	141 933	158 227	146 257
Community and social services	24 079	26 093	30 255	32 563	32 499	32 499	31 368	33 034	35 198
Sport and recreation	15 378	14 271	18 637	22 245	20 744	20 744	18 220	19 390	20 550
Public safety	31 241	42 651	56 923	49 173	73 288	73 288	69 453	72 280	75 270
Housing	54 294	3 273	28 318	9 554	9 812	9 812	22 892	3 433	15 249
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	116 245	113 012	130 335	139 514	138 641	138 641	132 046	137 946	145 918
Planning and development	35 519	39 280	30 370	37 314	36 945	36 945	40 308	40 867	43 282
Road transport	75 715	71 108	92 659	95 166	94 492	94 492	84 786	89 863	94 886
Environmental protection									

WC032 Overstrand - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Revenue - Standard									
<i>Municipal governance and administration</i>	167 928	232 385	199 504	231 071	232 413	232 413	255 994	272 264	292 533
Executive and council	31 483	38 355	42 355	52 442	52 442	52 442	64 861	72 528	79 858
Mayor and Council	31 483	38 355	42 355	52 442	52 442	52 442	64 861	72 528	79 858
Municipal Manager	-	-	-	-	-	-	-	-	-
Budget and treasury office	127 745	137 726	150 788	169 066	170 420	170 420	180 339	191 921	204 338
Corporate services	8 700	66 303	6 363	9 534	9 551	9 551	10 795	7 818	8 338
Human Resources	1 217	1 158	305	908	908	908	60	60	60
Information Technology	45	150	350	1 500	1 500	1 500	930	957	1 033
Property Services	6 290	53 722	3 670	-	-	-	-	-	-
Other Admin	1 148	1 273	2 037	7 128	7 143	7 143	9 805	6 799	7 245
<i>Community and public safety</i>	23 155	50 862	71 418	33 726	78 422	78 422	101 843	124 937	118 869
Community and social services	2 574	2 990	2 574	2 402	2 402	2 402	4 657	9 004	9 508
Libraries and Archives	230	129	233	118	118	118	123	134	146
Museums & Art Galleries etc	-	-	-	-	-	-	-	-	-
Community halls and Facilities	2 153	2 692	2 180	2 099	2 099	2 099	4 341	8 657	9 121
Cemeteries & Crematoriums	191	169	161	185	185	185	194	214	242
Child Care	-	-	-	-	-	-	-	-	-
Aged Care	-	-	-	-	-	-	-	-	-
Other Community	-	-	-	-	-	-	-	-	-
Other Social	-	-	-	-	-	-	-	-	-
Sport and recreation	6 609	7 765	11 427	9 565	9 191	9 191	11 942	14 042	14 766
Public safety	10 048	20 142	28 300	13 184	36 094	36 094	37 678	39 164	40 902
Police	119	115	79	42	42	42	97	106	117
Fire	228	307	684	250	250	250	325	358	393
Civil Defence	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Other	9 701	19 719	27 537	12 892	35 802	35 802	37 255	38 701	40 292
Housing	3 955	19 953	29 116	8 576	30 735	30 735	47 567	62 726	53 793
Health	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Ambulance	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	12 963	18 567	30 962	13 939	16 496	16 496	20 033	10 931	12 254
Planning and development	8 801	7 907	12 853	8 465	8 550	8 550	9 043	8 120	9 932
Economic Development/Planning	4 558	4 150	8 191	4 068	4 153	4 153	3 091	1 573	1 730
Town Planning/Building enforcement	4 243	3 757	4 662	4 397	4 397	4 397	5 952	6 547	7 202
Licensing & Regulation	-	-	-	-	-	-	-	-	-
Road transport	3 863	10 595	17 790	5 397	7 869	7 869	10 890	2 700	4 200
Roads	3 863	10 595	17 790	5 397	7 869	7 869	10 890	2 700	4 200
Public Buses	-	-	-	-	-	-	-	-	-
Parking Garages	-	-	-	-	-	-	-	-	-
Vehicle Licensing and Testing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Environmental protection	299	65	319	76	76	76	101	110	121
Pollution Control	-	-	-	-	-	-	-	-	-
Biodiversity & Landscape	299	65	319	76	76	76	101	110	121
Other	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	456 833	461 155	485 124	542 106	540 568	540 568	581 518	625 966	677 315
Electricity	229 488	249 645	270 880	313 388	312 305	312 305	346 361	375 057	413 102
Electricity Distribution	229 488	249 645	270 880	313 388	312 305	312 305	346 361	375 057	413 102
Electricity Generation	-	-	-	-	-	-	-	-	-
Water	108 189	96 325	96 086	96 872	96 872	96 872	106 211	113 026	120 078
Water Distribution	108 189	96 325	96 086	96 872	96 872	96 872	106 211	113 026	120 078
Water Storage	-	-	-	-	-	-	-	-	-
Waste water management	79 500	68 428	65 091	72 155	71 106	71 106	69 402	74 765	77 229
Sewerage	78 965	63 963	65 032	71 065	69 906	69 906	66 526	72 255	76 229
Storm Water Management	885	4 465	59	1 100	1 200	1 200	2 477	2 500	1 000
Public Toilets	-	-	-	-	-	-	-	-	-
Waste management	39 605	46 758	53 066	59 691	60 286	60 286	59 544	63 118	66 906
Solid Waste	39 605	46 758	53 066	59 691	60 286	60 286	59 544	63 118	66 906
Other	-	-	-	-	-	-	-	-	-
Air Transport	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Tourism	-	-	-	-	-	-	-	-	-
Forestry	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	960 918	762 965	787 007	820 842	867 900	867 900	959 389	1 034 088	1 101 971



Expenditure - Standard									
Municipal governance and administration	190 332	205 348	119 512	127 368	124 670	124 670	237 278	248 313	267 048
Executive and council	58 811	67 521	71 355	66 867	68 003	68 003	92 565	99 337	108 547
Mayor and Council	55 339	64 378	70 977	66 289	67 425	67 425	90 290	97 002	107 121
Municipal Manager	2 872	3 243	378	579	578	578	2 275	1 335	1 426
Budget and treasury office	48 679	51 399	23 830	24 503	25 398	25 398	69 750	71 154	75 197
Corporate services	82 942	86 328	24 327	35 998	31 269	31 269	74 963	78 822	83 305
Human Resources	8 268	8 333	1 928	3 696	3 679	3 679	9 594	10 145	10 853
Information Technology	12 282	10 698	(732)	4 890	3 762	3 762	15 509	16 418	17 451
Property Services	16 066	17 074	5 440	6 484	6 484	6 484	5 690	6 032	6 354
Other Admin	46 206	50 223	16 691	21 228	17 344	17 344	44 170	46 228	48 607
Community and public safety	124 992	87 286	134 133	113 536	136 344	136 344	141 933	158 237	146 267
Community and social services	24 079	26 093	30 255	32 563	32 499	32 499	31 368	33 034	35 156
Libraries and Archives	4 257	4 648	5 218	7 074	7 028	7 028	6 542	6 889	7 400
Museums & Art Galleries etc									
Community halls and Facilities	19 538	21 120	23 607	25 072	25 053	25 053	24 407	25 700	27 318
Cemeteries & Crematoriums	284	325	430	418	418	418	419	445	480
Child Care									
Aged Care									
Other Community									
Other Social									
Sport and recreation	15 378	14 271	18 837	22 245	20 744	20 744	18 220	19 390	20 590
Public safety	31 241	42 651	56 923	49 173	73 288	73 288	69 453	72 280	75 270
Police	9 438	10 668	13 608	14 428	14 042	14 042	12 756	13 682	14 534
Fire	8 441	9 619	11 187	12 707	14 408	14 408	12 277	12 886	13 848
Civil Defence									
Street Lighting									
Other	13 361	22 364	32 129	22 038	44 839	44 839	44 381	45 712	47 088
Housing	54 294	4 273	26 318	9 554	9 912	9 912	22 892	33 533	15 249
Health									
Clinics									
Ambulance									
Other									
Economic and environmental services	116 245	113 012	130 335	139 514	138 641	138 641	132 046	137 946	145 918
Planning and development	35 519	36 280	30 370	37 314	36 945	36 945	40 308	40 967	43 282
Economic Development/Planning	22 139	22 758	14 781	19 046	18 618	18 618	24 086	23 639	26 058
Town Planning/Building enforcement	13 380	13 522	15 589	18 267	18 327	18 327	16 221	17 227	16 224
Licensing & Regulation									
Road transport	75 715	71 108	92 659	95 166	94 492	94 492	84 786	89 863	94 986
Roads	75 715	71 108	92 659	95 166	94 492	94 492	84 786	89 863	94 986
Public Buses									
Parking Garages									
Vehicle Licensing and Testing									
Other									
Environmental protection	5 011	5 624	7 306	7 035	7 204	7 204	6 952	7 217	7 651
Pollution Control									
Biodiversity & Landscape	5 011	5 624	7 306	7 035	7 204	7 204	6 952	7 217	7 651
Other									
Trading services	310 956	346 423	448 042	489 171	533 668	533 668	453 273	492 997	539 058
Electricity	177 473	198 933	247 859	272 386	272 466	272 466	257 278	287 386	322 086
Electricity Distribution	177 473	198 933	247 859	272 386	272 466	272 466	257 278	287 386	322 086
Electricity Generation									
Water	53 445	61 422	99 439	93 157	90 979	90 979	78 253	81 294	85 130
Water Distribution	53 445	61 422	99 439	93 157	90 979	90 979	78 253	81 294	85 130
Water Storage									
Waste water management	42 466	45 965	64 659	67 138	69 170	69 170	63 478	67 214	71 597
Sewerage	38 378	41 565	58 276	58 197	60 066	60 066	54 574	57 749	61 608
Storm Water Management	4 088	4 400	6 024	6 548	8 772	8 772	8 478	9 015	9 514
Public Toilets			359	394	333	333	426	450	475
Waste management	37 573	40 102	36 085	56 489	101 052	101 052	54 264	57 103	60 245
Solid Waste	37 573	40 102	36 085	56 489	101 052	101 052	54 264	57 103	60 245
Other									
Air Transport									
Abattoirs									
Tourism									
Forestry									
Markets									
Total Expenditure - Standard	742 525	752 070	832 022	869 588	933 322	933 322	964 529	1 037 493	1 096 292
Surplus/(Deficit) for the year	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679



WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue by Vote									
Vote 1 - Council	31 483	38 353	42 274	52 401	52 401	52 401	64 808	72 470	79 794
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	1 264	1 476	1 286	2 410	1 844	1 844	991	1 018	1 094
Vote 4 - Finance	127 745	137 728	150 786	169 095	170 420	170 420	180 339	191 521	204 338
Vote 5 - Community Services	245 501	253 932	276 626	253 829	286 171	286 171	272 957	284 007	300 538
Vote 6 - Local Economic Development	2 817	3 750	6 431	2 968	2 968	2 968	3 091	1 573	1 730
Vote 7 - Infrastructure & Planning	242 061	307 588	281 304	326 955	318 002	318 002	399 527	443 945	473 675
Vote 8 - Protection Services	10 048	20 142	28 300	13 184	36 094	36 094	37 676	39 164	40 802
Total Revenue by Vote	660 918	752 969	787 007	820 842	867 900	867 900	959 389	1 034 098	1 101 971
Expenditure by Vote to be appropriated									
Vote 1 - Council	55 945	64 385	68 239	63 289	64 228	64 228	71 496	78 840	87 821
Vote 2 - Municipal Manager	2 872	3 243	1 295	1 003	780	780	4 489	3 643	3 865
Vote 3 - Management Services	32 799	30 890	5 492	15 189	13 315	13 315	43 327	45 629	48 384
Vote 4 - Finance	48 679	51 399	23 830	24 503	25 398	25 398	69 750	71 154	75 197
Vote 5 - Community Services	332 230	296 939	394 516	386 685	380 465	380 465	341 462	371 483	392 545
Vote 6 - Local Economic Development	5 845	7 722	9 945	11 140	10 915	10 915	8 731	7 454	7 931
Vote 7 - Infrastructure & Planning	232 916	254 841	271 782	318 807	364 933	364 933	355 793	387 020	407 279
Vote 8 - Protection Services	31 241	42 851	56 923	49 173	73 288	73 288	69 453	72 260	75 270
Total Expenditure by Vote	742 525	752 970	832 022	869 588	933 322	933 322	964 529	1 037 493	1 098 292
Surplus/(Deficit) for the year	(81 607)	10 999	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679



WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Revenue by Vote									
Vote 1 - Council	31 483	38 353	42 274	52 401	52 401	52 401	64 808	72 470	79 794
1.1 - Council General	31 483	38 353	42 274	52 401	52 401	52 401	64 808	72 470	79 794
1.2 - Mayor's Office									
1.3 - Pensioners & Continued Members									
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
2.1 - Municipal Manager									
2.2 - Internal Audit									
Vote 3 - Management Services	1 264	1 476	1 286	2 410	1 844	1 844	991	1 018	1 094
3.1 - Director: Management Services		166	631		-	-			
3.2 - Communication					-	-			
3.3 - Legal Services					-	-			
3.4 - Strategic Services					-	-			
3.5 - Human Resources	1 217	1 168	305	908	908	908	80	80	80
3.6 - Info & Communication Technology	45	150	350	1 500	934	934	930	967	1 033
3.7 - Council Support Services	2	3		2	2	2	1	1	1
3.8 - Social Development					-	-			
3.9 - Risk Management					-	-			
3.10 - Municipal Court					-	-			
Vote 4 - Finance	127 745	137 728	150 786	169 095	170 420	170 420	180 339	191 921	204 338
4.1 - Director: Finance					-	-			
4.2 - Deputy Director: Finance	1 250	1 250	1 455	884	2 209	2 209	1 450	1 475	1 550
4.3 - Accounting Services	6 881	8 049	7 192	6 166	6 166	6 166	6 348	6 348	6 348
4.4 - Expenditure & Asset Management	19	18	25	21	21	21	15	16	16
4.5 - Revenue	8 908	7 418	7 154	8 365	8 365	8 365	9 679	10 942	11 705
4.6 - Supply Chain Management	78	138	101	110	110	110	121	133	146
4.7 - Data Control		22			-	-			
4.8 - Assessment Rates	112 609	120 833	134 860	153 549	153 549	153 549	162 730	173 308	184 573
Vote 5 - Community Services	245 501	253 932	276 626	253 829	286 171	286 171	272 957	284 007	300 535
5.1 - Director & Administration	1 146	1 107	938	5 525	5 443	5 443	8 447	8 691	9 034
5.2 - Offices & Community Buildings	556	891	971	1 803	2 489	2 489	1 708	5 451	5 650
5.3 - Parks & Townlands, Cemeteries	1 787	1 970	1 920	2 121	2 121	2 121	4 238	4 584	4 986
5.4 - Libraries	230	129	233	118	118	118	123	134	145
5.5 - Sport & Recreation	6 609	7 765	11 427	9 565	9 191	9 191	11 942	14 042	14 766
5.6 - Housing & Social Upliftment	3 963	19 363	29 116	583	30 735	30 735	453	496	543
5.7 - Roads & Stormwater	4 748	15 060	17 849	6 498	9 070	9 070	13 368	5 200	5 200
5.8 - Water	108 189	96 325	96 086	96 872	96 872	96 872	106 211	113 028	120 078
5.9 - Sewerage	78 655	63 963	65 032	71 055	69 906	69 906	66 926	72 265	75 229
5.10 - Refuse	39 605	46 758	53 054	59 691	60 248	60 248	59 544	63 118	66 906
Vote 6 - Local Economic Development	2 817	3 750	4 431	2 968	2 968	2 968	3 091	1 573	1 730
6.1 - Director: Economic Development & Planning	2 817	3 750	5 207	1 768	1 768	1 768	1 661		
6.2 - Tourism					-	-			
6.3 - Parking Services			1 224	1 200	1 200	1 200	1 430	1 573	1 730
Vote 7 - Infrastructure & Planning	242 061	307 588	281 304	328 955	318 002	318 002	399 527	443 945	473 675
7.1 - Director: Infrastructure & Planning			1 000		-	-			
7.2 - Deputy Director: Engineering Planning	1 741	400	759	1 100	1 185	1 185	0	0	0
7.3 - Engineering Services & Housing Development				7 993	-	-	47 114	62 230	53 250
7.4 - Town Planning	758	794	912	803	803	803	1 112	1 223	1 346
7.5 - Geographical Info System (GIS)					-	-			
7.6 - Building Control Services	3 486	2 963	3 750	3 594	3 594	3 594	4 840	5 324	5 856
7.7 - Environmental Management Services	299	65	319	76	76	76	101	110	121
7.8 - Electricity	229 488	249 645	270 890	313 388	312 305	312 305	346 361	375 057	413 102
7.9 - Solid Waste Planning & Solid Waste Disposal			12		38	38			
7.10 - Property Administration	6 290	53 722	3 670		-	-			
Vote 8 - Protection Services	10 048	20 142	28 300	13 184	36 094	36 094	37 676	39 164	40 802
8.1 - Director: Protection Services		50	100		-	-			
8.2 - Traffic	9 701	18 557	27 437	12 892	35 802	35 802	37 255	39 701	40 232
8.3 - Law Enforcement	119	115	79	42	42	42	97	106	117
8.4 - Vehicle Testing					-	-			
8.5 - Fire Brigade/Disaster Management	228	307	684	250	250	250	325	358	393
8.6 - Vehicle Licensing		1 112			-	-			
Total Revenue by Vote	660 918	762 999	787 007	820 842	867 900	867 900	959 389	1 034 098	1 101 971



WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Expenditure by Vote									
Vote 1 - Council	55 945	64 385	68 239	63 289	64 228	64 228	71 496	78 840	87 821
1.1 - Council General	54 911	63 356	68 203	62 915	63 855	63 855	70 556	77 950	86 877
1.2 - Mayor's Office	1 023	1 022	28	365	365	365	832	882	935
1.3 - Pensioners & Continued Members	6	7	8	8	8	8	8	8	9
Vote 2 - Municipal Manager	2 872	3 243	1 295	1 003	780	780	4 489	3 643	3 865
2.1 - Municipal Manager	1 897	1 834	378	579	578	578	2 275	1 335	1 425
2.2 - Internal Audit	974	1 409	917	424	202	202	2 214	2 308	2 439
Vote 3 - Management Services	32 796	30 890	5 492	15 189	13 315	13 315	43 327	45 629	48 364
3.1 - Director: Management Services	5 081	4 461	1 462	444	(130)	(130)	5 709	5 733	6 064
3.2 - Communication	2 218	2 280	41	1 234	716	716	2 757	2 926	3 052
3.3 - Legal Services	840	1 359	779	806	1 300	1 300	2 974	3 127	3 297
3.4 - Strategic Services	1 699	1 084	166	394	394	394	1 408	1 616	1 696
3.5 - Human Resources	8 288	8 333	1 926	3 896	3 679	3 679	9 594	10 145	10 853
3.6 - Info & Communication Technology	12 282	10 695	(732)	4 590	3 762	3 762	15 509	16 418	17 451
3.7 - Council Support Services	2 387	2 679	989	987	866	866	3 527	3 713	3 895
3.8 - Social Development			700	1 153	1 153	1 153	1 100	1 158	1 235
3.9 - Risk Management				543	520	520			
3.10 - Municipal Court			139	1 342	1 056	1 056	749	794	841
Vote 4 - Finance	48 679	51 399	23 830	24 503	25 398	25 398	69 750	71 154	75 197
4.1 - Director: Finance	1 515	1 717	662	594	570	570	2 042	2 185	2 296
4.2 - Deputy Director: Finance	2 005	4 385	4 347	2 217	3 542	3 542	6 993	7 342	7 781
4.3 - Accounting Services	6 205	3 661	424	1 503	1 623	1 623	5 275	5 515	5 799
4.4 - Expenditure & Asset Management	6 951	7 654	1 798	1 988	2 643	2 643	10 240	10 973	11 879
4.5 - Revenue	19 209	20 869	7 154	7 423	6 968	6 968	24 880	26 658	28 525
4.6 - Supply Chain Management	5 924	7 247	4 138	2 775	2 151	2 151	9 043	9 412	9 959
4.7 - Data Control	356	518	186	241	240	240	966	1 024	1 085
4.8 - Assessment Rates	6 514	5 449	5 121	7 780	7 760	7 760	10 312	8 065	8 194
Vote 5 - Community Services	332 230	296 939	394 916	386 685	380 465	380 465	341 492	371 463	392 545
5.1 - Director & Administration	33 974	38 337	13 822	16 241	14 577	14 577	27 328	40 784	43 021
5.2 - Offices & Community Buildings	5 679	8 534	4 887	4 816	4 798	4 798	6 381	6 727	7 188
5.3 - Parks & Townlands, Cemeteries	13 943	14 215	19 444	21 333	21 317	21 317	20 558	21 649	22 976
5.4 - Libraries	4 257	4 649	6 218	7 074	7 028	7 028	6 542	6 889	7 400
5.5 - Sport & Recreation	15 378	14 271	18 637	22 245	20 744	20 744	18 220	19 390	20 550
5.6 - Housing & Social Upliftment	54 194	4 273	28 318	9 554	9 812	9 812	6 750	6 053	6 374
5.7 - Roads & Stormwater	79 802	75 508	98 348	101 919	101 256	101 256	92 424	97 871	103 433
5.8 - Water	53 445	61 422	99 439	93 157	90 979	90 979	78 253	81 294	85 130
5.9 - Sewerage	38 078	41 565	58 634	59 390	61 094	61 094	55 000	58 199	62 083
5.10 - Refuse	32 890	35 466	46 668	50 955	48 859	48 859	31 035	32 607	34 390
Vote 6 - Local Economic Development	5 845	7 722	9 945	11 140	10 915	10 915	8 731	7 464	7 931
6.1 - Director: Economic Development & Planning	5 845	4 720	4 291	4 853	4 726	4 726	5 672	4 223	4 497
6.2 - Tourism		2 002	3 620	3 752	3 555	3 555	2 741	2 905	3 079
6.3 - Parking Services			1 833	2 534	2 634	2 634	317	336	355
Vote 7 - Infrastructure & Planning	232 916	254 841	271 782	318 607	364 933	364 933	355 793	387 020	407 279
7.1 - Director: Infrastructure & Planning	2 137	2 781	432	1 220	1 216	1 216	2 384	2 611	2 759
7.2 - Deputy Director: Engineering Planning	11 223	9 124	2 315	4 424	4 240	4 240	8 664	9 083	9 596
7.3 - Engineering Services & Housing Development	1 894	2 003	1 595	1 577	1 347	1 347	32 871	30 185	11 730
7.4 - Town Planning	9 288	9 494	10 635	12 970	12 688	12 688	11 192	11 915	12 520
7.5 - Geographical Info System (GIS)	1 040	1 128	495	886	708	708	1 289	1 378	1 494
7.6 - Building Control Services	4 113	4 027	4 954	5 297	5 526	5 526	5 030	5 312	5 703
7.7 - Environmental Management Services	5 011	5 624	7 306	7 035	7 204	7 204	6 992	7 217	7 651
7.8 - Electricity	177 473	198 933	248 194	273 361	273 769	273 769	258 118	288 393	323 153
7.9 - Solid Waste Planning & Solid Waste Disposal	4 893	4 836	(10 583)	5 534	51 788	51 788	23 229	24 496	25 855
7.10 - Property Administration	16 066	17 089	6 440	5 484	6 440	6 440	6 064	6 430	6 817
Vote 8 - Protection Services	31 241	42 681	56 923	49 173	73 288	73 288	69 453	72 280	75 270
8.1 - Director: Protection Services	1 336	1 518	1 289	1 604	1 604	1 604	1 948	2 064	2 191
8.2 - Traffic	11 806	15 243	30 524	20 115	42 437	42 437	41 049	42 189	43 361
8.3 - Law Enforcement	9 438	10 968	13 605	14 428	13 987	13 987	12 795	13 882	14 534
8.4 - Vehicle Testing	219	178	316	324	853	853	296	314	321
8.5 - Fire Brigade/Disaster Management	8 441	9 619	11 187	12 707	14 407	14 407	12 277	12 886	13 648
8.6 - Vehicle Licensing		1 425					1 087	1 146	1 215
Total Expenditure by Vote	742 525	752 070	832 022	869 588	933 322	933 322	964 529	1 037 493	1 098 292
Surplus/(Deficit) for the year	(81 607)	10 899	(45 915)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679



WC032 Overstrand - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Revenue By Source									
Property rates	108 913	120 799	134 813	148 640	153 509	153 509	162 730	173 308	184 573
Property rates - penalties & collection charges	925	772	821	1 050	1 050	1 050	891	980	1 078
Service charges - electricity revenue	224 950	247 663	268 362	310 085	310 085	310 085	338 877	371 835	407 747
Service charges - water revenue	83 755	85 243	95 136	95 897	95 897	95 897	102 045	107 700	113 691
Service charges - sanitation revenue	57 212	56 895	62 798	63 455	63 455	63 455	66 375	70 081	74 010
Service charges - refuse revenue	39 498	46 637	52 957	56 130	56 130	56 130	59 488	63 061	66 849
Service charges - other				-	-	-			
Rental of facilities and equipment	6 743	7 212	7 591	7 968	7 966	7 966	11 859	12 953	14 176
Interest earned - external investments	6 881	7 555	6 352	6 166	6 166	6 166	6 348	6 348	6 348
Interest earned - outstanding debtors	2 331	2 199	2 118	2 288	2 288	2 288	2 437	2 580	2 948
Dividends received				-	-	-			
Fines	5 278	14 244	22 739	7 965	30 875	30 875	31 859	32 766	33 763
Licences and permits	1 786	1 968	1 956	2 229	2 229	2 229	2 190	2 408	2 649
Agency services	1 912	2 025	2 395	2 480	2 480	2 480	2 370	3 267	3 594
Transfers recognised - operational	38 005	41 680	67 835	58 407	61 289	61 289	90 324	107 886	97 173
Other revenue	17 375	68 978	10 504	21 717	16 933	16 933	16 943	18 150	19 812
Gains on disposal of PPE	1 920								
Total Revenue (excluding capital transfers and contributions)	597 482	703 871	736 376	784 474	810 351	810 351	899 035	973 222	1 028 409
Expenditure By Type									
Employee related costs	207 938	231 642	260 645	280 096	276 217	276 217	291 593	305 408	323 583
Remuneration of councillors	6 717	7 084	7 933	8 516	8 516	8 516	8 674	9 192	9 741
Debt impairment	28	6 688	12 526	22 792	22 792	22 792	22 792	22 792	22 792
Depreciation & asset impairment	104 041	104 406	99 361	109 266	105 461	105 461	111 362	118 043	125 126
Finance charges	31 727	37 331	39 927	45 162	44 480	44 480	46 895	46 780	47 279
Bulk purchases	126 669	145 022	157 055	169 444	169 444	169 444	193 573	221 138	250 628
Other materials	54 582	12 441	13 595	17 295	17 315	17 315	57 801	69 631	53 593
Contracted services	24 079	67 697	72 754	81 062	82 467	82 467	125 322	128 122	135 442
Transfers and grants	28 454	35 856	38 749	41 370	41 668	41 668	48 497	54 667	62 244
Other expenditure	158 290	102 146	117 460	117 407	164 963	164 963	58 021	61 721	65 869
Loss on disposal of PPE		1 756	12 017						
Total Expenditure	742 525	752 070	832 022	869 588	933 322	933 322	964 529	1 037 493	1 098 292
Surplus/(Deficit)	(145 043)	(48 199)	(95 646)	(85 115)	(122 971)	(122 971)	(69 494)	(64 271)	(69 883)
Transfers recognised - capital	54 833	53 809	38 090	34 234	55 498	55 498	63 354	60 876	73 561
Contributions recognised - capital	6 603	5 289	7 871	2 134	2 051	2 051	1 000	-	-
Contributed assets			4 671						
Surplus/(Deficit) after capital transfers & contributions	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679
Taxation									
Surplus/(Deficit) after taxation	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679
Share of surplus/ (deficit) of associate									
Surplus/(Deficit) for the year	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679



WC032 Overstrand - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Capital expenditure - Vote									
Multi-year expenditure, to be appropriated									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	-	-	5 000	4 939	3 565	3 565	21 911	4 500	4 000
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	-	-	-	-	-	11 451	3 000	3 000
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	-	-	5 000	4 939	3 565	3 565	33 362	7 500	7 000
Single-year expenditure, to be appropriated									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	928	1 274	1 790	2 548	2 534	2 534	2 528	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	119 308	110 111	74 822	71 999	92 038	92 038	56 809	72 106	79 581
Vote 6 - Local Economic Development	-	945	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	42 394	31 434	49 518	18 235	19 450	19 450	10 920	15 000	17 000
Vote 8 - Protection Services	645	-	-	-	-	-	295	-	-
Capital single-year expenditure sub-total	163 275	143 764	125 930	92 781	114 022	114 022	70 552	87 106	96 581
Total Capital Expenditure - Vote	163 275	143 764	130 930	97 721	117 588	117 588	103 914	94 606	103 581
Capital Expenditure - Standard									
Governance and administration	24 047	7 154	21 308	16 815	17 776	17 776	2 648	3 730	-
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	-	-	-	-	-	-	-	-	-
Corporate services	24 047	7 154	21 308	16 815	17 776	17 776	2 648	3 730	-
Community and public safety	3 319	7 268	19 582	21 205	42 622	42 622	39 768	45 550	55 174
Community and social services	327	4 666	3 482	5 835	5 595	5 595	3 520	4 000	4 000
Sport and recreation	1 531	2 601	5 696	3 090	2 616	2 616	5 981	6 800	6 800
Public safety	645	-	-	-	-	-	295	-	-
Housing	817	-	10 404	12 480	34 410	34 410	29 973	34 750	44 374
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	8 340	25 552	16 051	5 400	6 300	6 300	12 128	4 000	4 000
Planning and development	2 863	945	-	-	-	-	25	-	-
Road transport	5 477	24 607	16 051	5 400	6 300	6 300	12 103	4 000	4 000
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	127 569	103 790	73 989	54 300	56 087	56 087	49 370	41 326	44 387
Electricity	30 061	26 788	37 115	17 000	17 000	17 000	21 726	14 000	16 000
Water	57 384	50 766	23 631	12 800	16 384	16 384	16 390	14 726	15 787
Waste water management	35 927	20 728	10 202	14 300	13 403	13 403	11 244	12 600	12 600
Waste management	196	5 528	3 041	10 200	9 300	9 300	10	-	-
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 606	103 581
Funded by:									
National Government	40 212	36 911	6 339	24 174	23 608	23 608	30 347	26 126	29 187
Provincial Government	14 621	16 898	31 751	10 060	31 890	31 890	33 007	34 750	44 374
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	2 134	1 000	1 000	1 000	-	-
Transfers recognised - capital	54 833	53 809	38 090	36 368	56 498	56 498	64 354	60 876	73 581
Public contributions & donations	14 300	5 067	7 985	-	1 936	1 936	462	-	-
Borrowing	73 964	67 544	70 534	46 923	48 770	48 770	32 346	30 000	30 000
Internally generated funds	20 178	17 345	14 222	14 430	15 582	15 582	6 753	3 730	-
Total Capital Funding	163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 606	103 581



WC032 Overstrand - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Capital expenditure - Municipal Vote									
Multi-year expenditure appropriation									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
1.1 - Council General	-	-	-	-	-	-	-	-	-
1.2 - Mayor's Office	-	-	-	-	-	-	-	-	-
1.3 - Pensioners & Continued Members	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
2.1 - Municipal Manager	-	-	-	-	-	-	-	-	-
2.2 - Internal Audit	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	-	-	-	-	-	-	-	-
3.1 - Director: Management Services	-	-	-	-	-	-	-	-	-
3.2 - Communication	-	-	-	-	-	-	-	-	-
3.3 - Legal Services	-	-	-	-	-	-	-	-	-
3.4 - Strategic Services	-	-	-	-	-	-	-	-	-
3.5 - Human Resources	-	-	-	-	-	-	-	-	-
3.6 - Info & Communication Technology	-	-	-	-	-	-	-	-	-
3.7 - Council Support Services	-	-	-	-	-	-	-	-	-
3.8 - Social Development	-	-	-	-	-	-	-	-	-
3.9 - Risk Management	-	-	-	-	-	-	-	-	-
3.10 - Municipal Court	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
4.1 - Director: Finance	-	-	-	-	-	-	-	-	-
4.2 - Deputy Director: Finance	-	-	-	-	-	-	-	-	-
4.3 - Accounting Services	-	-	-	-	-	-	-	-	-
4.4 - Expenditure & Asset Management	-	-	-	-	-	-	-	-	-
4.5 - Revenue	-	-	-	-	-	-	-	-	-
4.6 - Supply Chain Management	-	-	-	-	-	-	-	-	-
4.7 - Data Control	-	-	-	-	-	-	-	-	-
4.8 - Assessment Rates	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	-	-	5 000	4 939	3 565	3 565	21 911	4 500	4 000
5.1 - Director & Administration	-	-	-	-	-	-	-	-	-
5.2 - Offices & Community Buildings	-	-	-	-	-	-	-	-	-
5.3 - Parks & Townlands, Cemeteries	-	-	-	-	-	-	-	-	-
5.4 - Libraries	-	-	-	2 000	2 000	2 000	3 034	-	-
5.5 - Sport & Recreation	-	-	5 000	2 939	1 565	1 565	5 613	-	-
5.6 - Housing & Social Upliftment	-	-	-	-	-	-	-	-	-
5.7 - Roads & Stormwater	-	-	-	-	-	-	-	-	-
5.8 - Water	-	-	-	-	-	-	9 717	-	4 000
5.9 - Sewerage	-	-	-	-	-	-	3 547	4 500	-
5.10 - Refuse	-	-	-	-	-	-	-	-	-
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
6.1 - Director: Economic Development & Planning	-	-	-	-	-	-	-	-	-
6.2 - Tourism	-	-	-	-	-	-	-	-	-
6.3 - Parking Services	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	-	-	-	-	-	11 451	3 000	3 000
7.1 - Director: Infrastructure & Planning	-	-	-	-	-	-	-	-	-
7.2 - Deputy Director: Engineering Planning	-	-	-	-	-	-	-	-	-
7.3 - Engineering Services & Housing Development	-	-	-	-	-	-	-	-	-
7.4 - Town Planning	-	-	-	-	-	-	-	-	-
7.5 - Geographical Info System (GIS)	-	-	-	-	-	-	-	-	-
7.6 - Building Control Services	-	-	-	-	-	-	-	-	-
7.7 - Environmental Management Services	-	-	-	-	-	-	-	-	-
7.8 - Electricity	-	-	-	-	-	-	11 451	3 000	3 000
7.9 - Solid Waste Planning & Solid Waste Disposal	-	-	-	-	-	-	-	-	-
7.10 - Property Administration	-	-	-	-	-	-	-	-	-
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-
8.1 - Director: Protection Services	-	-	-	-	-	-	-	-	-
8.2 - Traffic	-	-	-	-	-	-	-	-	-
8.3 - Law Enforcement	-	-	-	-	-	-	-	-	-
8.4 - Vehicle testing	-	-	-	-	-	-	-	-	-
8.5 - Fire Brigade/Disaster Management	-	-	-	-	-	-	-	-	-
8.6 - Vehicle Licensing	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	-	-	5 000	4 939	3 565	3 565	33 362	7 500	7 000



Capital expenditure - Municipal Vote									
Single-year expenditure appropriation									
Vote 1 - Council									
1.1 - Council General	-	-	-	-	-	-	-	-	-
1.2 - Mayor's Office	-	-	-	-	-	-	-	-	-
1.3 - Pensioners & Continued Members	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager									
2.1 - Municipal Manager	-	-	-	-	-	-	-	-	-
2.2 - Internal Audit	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	625	1 274	1 790	2 548	2 534	2 534	2 528	-	-
3.1 - Director Management Services	-	-	-	-	-	-	-	-	-
3.2 - Communication	-	-	-	-	-	-	-	-	-
3.3 - Legal Services	-	-	-	-	-	-	-	-	-
3.4 - Strategic Services	-	-	-	-	-	-	-	-	-
3.5 - Human Resources	-	-	-	-	-	-	-	-	-
3.6 - Info & Communication Technology	325	1 274	1 790	2 548	2 534	2 534	2 528	-	-
3.7 - Council Support Services	-	-	-	-	-	-	-	-	-
3.8 - Social Development	-	-	-	-	-	-	-	-	-
3.9 - Risk Management	-	-	-	-	-	-	-	-	-
3.10 - Municipal Court	-	-	-	-	-	-	-	-	-
Vote 4 - Finance									
4.1 - Director Finance	-	-	-	-	-	-	-	-	-
4.2 - Deputy Director Finance	-	-	-	-	-	-	-	-	-
4.3 - Accounting Services	-	-	-	-	-	-	-	-	-
4.4 - Expenditure & Asset Management	-	-	-	-	-	-	-	-	-
4.5 - Revenue	-	-	-	-	-	-	-	-	-
4.6 - Supply Chain Management	-	-	-	-	-	-	-	-	-
4.7 - Data Control	-	-	-	-	-	-	-	-	-
4.8 - Assessment Rates	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	119 288	118 111	74 422	71 989	82 838	92 238	36 809	72 104	79 581
5.1 - Director & Administration	-	-	-	-	-	-	120	2 730	-
5.2 - Offices & Community Buildings	15 790	5 880	10 587	16 667	16 387	16 387	-	-	-
5.3 - Parks & Townlands, Cemeteries	-	-	-	-	-	-	-	-	-
5.4 - Libraries	-	-	-	-	-	-	-	-	-
5.5 - Sport & Recreation	5 528	2 807	636	151	1 051	1 051	225	6 800	6 800
5.6 - Housing & Social Upfitment	-	-	10 454	12 480	29 212	29 212	29 873	34 750	44 374
5.7 - Roads & Stormwater	12 154	30 715	16 044	6 200	7 632	7 632	15 019	5 000	5 000
5.8 - Water	57 384	52 790	22 431	12 860	16 384	16 384	4 673	14 728	11 737
5.9 - Sewerage	32 852	14 821	10 190	13 688	12 071	12 071	4 720	7 100	11 600
5.10 - Refuse	196	5 528	3 041	10 200	9 200	9 200	10	-	-
Vote 6 - Local Economic Development	-	945	-	-	-	-	-	-	-
6.1 - Director Economic Development & Planning	-	945	-	-	-	-	-	-	-
6.2 - Tourism	-	-	-	-	-	-	-	-	-
6.3 - Parking Services	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	42 284	31 434	48 518	16 225	16 458	19 458	15 620	15 000	17 880
7.1 - Director Infrastructure & Planning	-	-	-	-	-	-	-	-	-
7.2 - Deputy Director/Engineering Planning	-	-	-	-	-	-	-	-	-
7.3 - Engineering Services & Housing Development	-	-	-	-	-	-	-	-	-
7.4 - Town Planning	-	-	-	-	-	-	-	-	-
7.5 - Geographical Info System (GIS)	-	-	-	-	-	-	-	-	-
7.6 - Building Control Services	-	-	-	-	-	-	-	-	-
7.7 - Environmental Management Services	-	-	-	-	-	-	-	-	-
7.8 - Electricity	30 061	28 768	37 115	17 000	17 000	17 000	10 275	11 000	13 000
7.9 - Solid Waste Planning & Solid Waste Disposal	-	-	-	-	-	-	-	-	-
7.10 - Property Administration	12 222	4 666	12 403	1 225	2 450	2 450	945	4 000	4 000
Vote 8 - Protection Services	845	-	-	-	-	-	295	-	-
8.1 - Director Protection Services	845	-	-	-	-	-	295	-	-
8.2 - Traffic	-	-	-	-	-	-	-	-	-
8.3 - Law Enforcement	-	-	-	-	-	-	-	-	-
8.4 - Vehicle Testing	-	-	-	-	-	-	-	-	-
8.5 - Fire Brigade/Cluster Management	-	-	-	-	-	-	-	-	-
8.6 - Vehicle Licensing	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	163 215	142 764	125 930	92 781	114 822	114 822	79 582	87 104	96 581
Total Capital Expenditure	163 215	142 764	125 930	92 781	114 822	114 822	79 582	87 104	96 581



WC032 Overstrand - Table A6 Budgeted Financial Position

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
ASSETS									
Current assets									
Cash	51 699	29 166	13 119	88 351	89 421	89 421	97 547	127 071	171 875
Call investment deposits	79 000	55 042	50 029	-	-	-	-	-	-
Consumer debtors	50 361	46 025	47 451	52 591	52 591	52 591	51 774	56 341	61 181
Other debtors	36 501	52 222	51 754	44 398	55 398	55 398	44 112	38 172	37 381
Current portion of long-term receivables	25	17	15	14	14	14	13	11	10
Inventory	18 446	20 257	13 137	12 082	11 082	11 082	14 483	15 257	15 966
Total current assets	236 033	205 688	175 465	197 146	208 517	208 517	207 929	236 852	296 393
Non current assets									
Long-term receivables	126	84	68	57	57	57	41	30	20
Investments	8 691	11 587	16 965	22 207	22 207	22 207	28 455	34 364	40 409
Investment property	104 673	175 863	164 501	175 866	164 501	164 501	164 501	164 501	164 501
Investment in Associates	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3 073 014	3 087 120	3 111 096	3 072 423	3 140 791	3 140 791	3 122 147	3 098 677	3 079 080
Agricultural	-	-	-	-	-	-	-	-	-
Biological	-	-	-	-	-	-	-	-	-
Intangible	3 547	4 449	5 220	5 426	5 220	5 220	5 368	4 401	2 433
Other non-current assets	22 049	1 025	4 301	39 530	-	-	-	-	-
Total non current assets	2 299 100	2 290 140	3 302 111	3 316 479	3 332 718	3 332 718	3 320 511	3 302 983	3 287 443
TOTAL ASSETS	3 435 133	3 495 828	3 477 576	3 513 625	3 541 235	3 541 235	3 528 441	3 539 795	3 573 836
LIABILITIES									
Current liabilities									
Bank overdraft	-	-	-	-	-	-	-	-	-
Borrowing	18 798	18 281	20 443	25 106	25 064	25 064	28 113	30 730	34 370
Consumer deposits	31 206	34 932	37 761	41 321	41 321	41 321	43 901	46 429	49 215
Trade and other payables	67 728	79 489	64 943	55 831	50 583	50 583	74 229	70 679	64 789
Provisions	21 847	27 470	25 063	31 582	36 166	36 166	28 317	30 557	33 013
Total current liabilities	137 580	160 331	148 801	153 840	153 113	153 113	174 459	178 435	201 387
Non current liabilities									
Borrowing	341 254	364 632	352 444	411 766	412 829	412 829	415 099	415 268	410 503
Provisions	111 067	119 319	128 527	137 501	180 879	180 879	201 668	213 107	225 231
Total non current liabilities	452 321	483 951	480 970	549 267	593 707	593 707	617 868	628 375	635 734
TOTAL LIABILITIES	589 901	644 282	629 771	703 107	746 820	746 820	792 327	806 811	837 121
NET ASSETS	2 845 232	2 851 546	2 847 805	2 810 518	2 794 412	2 794 412	2 736 114	2 732 983	2 736 717
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/Deficit	2 847 322	2 849 634	2 805 240	2 808 575	2 791 899	2 791 899	2 733 577	2 730 262	2 733 960
Reserves	1 920	1 891	2 565	1 834	2 573	2 573	2 637	2 703	2 757
Minority interests	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2 849 242	2 851 526	2 807 805	2 810 509	2 794 472	2 794 472	2 736 214	2 732 965	2 736 717



WC032 Overstrand - Table A7 Budgeted Cash Flows

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates, penalties & collection charges	110 347	120 273	135 875	148 254	154 165	154 165	163 800	173 297	184 820
Service charges	397 229	437 061	483 167	522 072	524 216	524 216	567 409	608 975	658 596
Other revenue	69 694	41 689	63 976	46 516	63 257	63 257	76 884	75 476	74 750
Government - operating	37 750	44 140	63 477	58 407	61 289	61 289	90 324	107 886	97 173
Government - capital	54 633	54 577	38 090	36 368	57 548	57 549	64 354	60 878	73 561
Interest	9 211	9 754	8 470	8 454	8 454	8 454	8 794	9 028	9 296
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(520 159)	(558 519)	(637 833)	(653 525)	(656 105)	(656 105)	(765 303)	(808 560)	(835 753)
Finance charges	(31 669)	(37 199)	(39 858)	(45 162)	(44 480)	(44 480)	(46 895)	(46 780)	(47 279)
Transfers and Grants	(28 454)	(35 856)	(38 749)	(41 370)	(41 668)	(41 668)	(48 497)	(54 867)	(62 244)
NET CASH FROM/(USED) OPERATING ACTIVITIES	98 981	75 920	76 616	80 914	126 676	126 676	110 861	125 532	152 720
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	13 722	1 725	5 073	-	-	-	-	-	-
Decrease (increase) in non-current debtors	2 189	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	20	45	18	15	15	15	18	13	11
Decrease (increase) in non-current investments	(4 430)	(4 960)	(4 529)	(5 827)	(5 827)	(5 827)	(6 248)	(5 930)	(6 025)
Payments									
Capital assets	(163 275)	(143 764)	(130 930)	(97 721)	(122 785)	(122 785)	(103 914)	(94 906)	(103 561)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(151 774)	(146 955)	(130 368)	(103 533)	(128 597)	(128 597)	(110 144)	(100 523)	(109 575)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	940	(389)	(730)	5 520	6 541	6 541	(1 135)	(1 271)	(1 352)
Borrowing long term/refinancing	110 000	38 700	51 306	40 000	40 000	40 000	30 000	30 000	30 000
Increase (decrease) in consumer deposits	12 844	3 726	2 819	2 703	2 703	2 703	2 479	2 528	2 786
Payments									
Repayment of borrowing	(14 295)	(13 554)	(20 626)	(21 061)	(21 061)	(21 061)	(23 936)	(25 841)	(29 775)
NET CASH FROM/(USED) FINANCING ACTIVITIES	109 489	28 482	32 764	27 163	28 183	28 183	7 409	4 515	1 559
NET INCREASE/(DECREASE) IN CASH HELD	56 696	(42 552)	(20 989)	3 644	26 262	26 262	8 126	29 524	44 804
Cash/cash equivalents at the year begin:	70 004	126 699	84 147	84 406	63 158	63 158	89 421	97 547	127 071
Cash/cash equivalents at the year end:	126 699	84 147	63 158	88 050	89 421	89 421	97 547	127 071	171 875



WC032 Overstrand - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Cash and investments available									
Cash/cash equivalents at the year end	126 699	84 147	63 158	88 050	89 421	89 421	97 547	127 071	171 875
Other current investments > 90 days	0	-	0	-	-	-	0	(0)	0
Non current assets - investments	5 691	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
Cash and investments available:	132 391	95 744	80 123	110 257	111 628	111 628	126 001	161 455	212 284
Application of cash and investments									
Unspent conditional transfers	4 555	7 783	3 425	-	-	-	-	-	-
Unspent borrowing	18 255	6 133	1 847	-	-	-	-	-	-
Statutory requirements									
Other working capital requirements	(26 049)	(21 016)	(40 826)	(40 803)	(57 301)	(57 301)	(22 858)	(23 728)	(13 035)
Other provisions									
Long term investments committed	5 691	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
Reserves to be backed by cash/investments	1 920	1 891	2 565	1 934	2 573	2 573	2 637	2 703	2 757
Total Application of cash and investments:	2 373	6 388	(16 024)	(16 663)	(32 522)	(32 522)	8 224	13 360	30 132
Surplus(shortfall)	130 018	89 356	96 147	126 920	144 149	144 149	117 777	148 095	182 152



WC032 Overstrand - Table A9 Asset Management

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
CAPITAL EXPENDITURE									
Total New Assets	163 275	139 617	83 899	69 581	89 948	89 948	83 156	73 406	97 041
Infrastructure - Road transport	12 754	15 378	9 203	800	1 332	1 332	14 979	5 000	5 000
Infrastructure - Electricity	30 061	22 203	24 160	13 900	13 900	13 900	21 726	8 500	14 500
Infrastructure - Water	57 384	48 634	7 300	-	580	580	4 737	4 726	11 787
Infrastructure - Sanitation	32 650	16 478	8 449	9 600	8 892	8 892	3 420	6 100	10 600
Infrastructure - Other	198	5 359	1 400	10 200	9 300	9 300	10	-	-
Community	133 045	108 252	50 511	34 500	34 003	34 003	44 873	24 325	41 587
Heritage assets	6 183	20 897	13 896	18 266	38 167	38 167	35 611	45 550	55 174
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	23 118	9 036	18 897	15 815	17 776	17 776	2 673	3 730	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	928	1 330	-	-	-	-	-	-	-
Total Renewal of Existing Assets	-	4 147	47 822	28 139	32 838	32 838	20 758	21 000	6 500
Infrastructure - Road transport	-	131	8 892	5 400	6 300	6 300	-	-	-
Infrastructure - Electricity	-	-	12 966	3 100	3 100	3 100	-	5 500	1 500
Infrastructure - Water	-	-	16 331	12 800	15 805	15 805	11 653	10 000	4 000
Infrastructure - Sanitation	-	-	1 711	3 900	3 179	3 179	4 947	5 500	1 000
Infrastructure - Other	-	-	1 641	-	-	-	-	-	-
Community	-	131	39 539	25 300	28 384	28 384	16 600	21 000	6 500
Heritage assets	-	756	5 686	2 939	4 454	4 454	4 158	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	3 260	1 817	-	-	-	-	-	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 406	103 541
ASSET REGISTER SUMMARY - PPE (WDV)									
Infrastructure - Road transport	946 061	947 141	942 369	906 551	907 352	907 352	925 942	915 933	909 563
Infrastructure - Electricity	600 736	609 815	619 999	620 545	621 764	621 764	620 094	612 727	606 577
Infrastructure - Water	419 500	458 648	459 954	453 857	459 276	459 276	453 942	450 864	448 638
Infrastructure - Sanitation	379 653	381 194	377 248	376 342	373 384	373 384	382 220	387 578	395 126
Infrastructure - Other	37 051	39 059	39 501	70 579	76 287	76 287	59 232	54 202	48 869
Community	2 383 007	2 435 859	2 438 970	2 427 874	2 438 064	2 438 064	2 441 031	2 421 303	2 409 273
Heritage assets	81 364	58 783	62 814	88 257	106 034	106 034	83 854	88 637	89 391
Investment properties	108 552	99 573	99 572	99 322	99 322	99 322	98 572	99 572	99 572
Other assets	104 873	173 866	164 501	175 886	164 501	164 501	164 501	164 501	164 501
Agricultural Assets	500 097	502 906	509 700	456 970	497 371	497 371	517 890	512 155	501 844
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	3 547	4 445	5 220	6 426	5 220	5 220	5 368	4 401	3 432
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	3 181 234	3 277 435	3 280 777	3 254 715	3 310 512	3 310 512	3 292 016	3 288 519	3 247 014
EXPENDITURE OTHER ITEMS									
Depreciation & asset impairment	104 041	104 408	99 361	109 265	105 481	105 481	111 362	118 043	125 126
Repairs and Maintenance by Asset Class	94 646	114 414	150 358	162 388	163 071	163 071	121 077	126 814	150 754
Infrastructure - Road transport	25 943	42 236	63 149	68 540	68 540	68 540	57 090	60 842	64 540
Infrastructure - Electricity	4 601	14 105	20 488	25 491	25 491	25 491	16 835	17 340	23 891
Infrastructure - Water	6 892	21 602	27 831	26 775	26 775	26 775	22 874	24 001	24 393
Infrastructure - Sanitation	4 588	7 708	15 486	14 146	14 146	14 146	12 159	12 963	16 387
Infrastructure - Other	1 215	1 499	1 481	1 800	1 800	1 800	2 492	2 719	4 130
Community	43 120	87 348	129 145	136 752	136 752	136 752	111 449	117 865	133 347
Heritage assets	5 012	5 408	7 349	9 298	9 298	9 298	4 546	4 391	8 211
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	270	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS	168 886	218 821	249 719	271 533	268 532	268 532	232 439	244 857	275 880
Renewal of Existing Assets as % of total capex	0.0%	2.9%	35.9%	28.8%	28.7%	28.7%	20.0%	22.2%	5.2%
Renewal of Existing Assets as % of deprecn*	0.0%	4.0%	47.3%	25.8%	21.1%	21.1%	18.8%	19.6%	5.2%
R&M as a % of PPE	2.1%	3.7%	4.8%	5.3%	5.2%	5.2%	3.9%	4.9%	5.0%
Renewal and R&M as a % of PPE	2.0%	4.0%	6.0%	6.0%	6.0%	6.0%	4.0%	5.0%	5.0%



WC032 Overstrand - Table A10 Basic service delivery measurement

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Household service targets									
Water:									
Piped water inside dwelling	27 203	27 295	32 032	28 100	28 100	28 100	29 295	30 400	31 370
Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
Using public tap (at least min service level)	3 449	3 435	3 334	3 350	3 350	3 350	3 188	3 138	3 068
Other water supply (at least min service level)	199	199	155	-	-	-	-	-	-
Minimum Service Level and Above sub-total	30 851	30 930	35 521	31 450	31 450	31 450	32 483	33 538	34 438
Using public tap (< min service level)	-	-	-	-	-	-	-	-	-
Other water supply (< min service level)	-	-	-	-	-	-	-	-	-
No water supply	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total	-	-	-	-	-	-	-	-	-
Total number of households	30 851	30 930	35 521	31 450	31 450	31 450	32 483	33 538	34 438
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	21 205	21 284	21 632	20 030	20 030	20 030	20 818	21 413	21 973
Flush toilet (with septic tank)	9 646	9 646	9 799	11 420	11 420	11 420	11 665	12 410	12 730
Chemical toilet	-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
Other toilet provisions (> min service level)	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total	30 851	30 930	31 431	31 450	31 450	31 450	32 483	33 823	34 703
Bucket toilet	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min service level)	-	-	-	-	-	-	-	-	-
No toilet provisions	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total	-	-	-	-	-	-	-	-	-
Total number of households	30 851	30 930	31 431	31 450	31 450	31 450	32 483	33 823	34 703
Energy:									
Electricity (at least min service level)	8 420	7 918	7 136	8 700	6 625	6 625	6 114	5 603	5 092
Electricity - prepaid (min service level)	13 478	14 060	16 458	17 700	18 379	18 379	19 240	20 132	21 024
Minimum Service Level and Above sub-total	21 898	21 998	23 594	26 400	25 004	25 004	25 354	25 735	26 116
Electricity (< min service level)	-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min service level)	-	-	-	1 000	1 000	1 000	-	-	-
Other energy sources	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total	-	-	-	1 000	1 000	1 000	-	-	-
Total number of households	21 898	21 998	23 594	27 400	26 004	26 004	25 354	25 735	26 116
Refuse:									
Removed at least once a week	31 373	31 739	31 829	32 691	32 691	32 691	33 094	34 085	35 105
Minimum Service Level and Above sub-total	31 373	31 739	31 829	32 691	32 691	32 691	33 094	34 085	35 105
Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
Using communal refuse dump	-	-	-	-	-	-	-	-	-
Using own refuse dump	-	-	-	-	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-	-	-	-	-
No rubbish disposal	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total	-	-	-	-	-	-	-	-	-
Total number of households	31 373	31 739	31 829	32 691	32 691	32 691	33 094	34 085	35 105
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	25 310	25 406	6 543	6 700	6 700	6 700	6 650	6 650	6 650
Sanitation (free minimum level service)	5 852	6 423	6 543	6 700	6 700	6 700	6 650	6 650	6 650
Electricity/other energy (50kwh per household per month)	5 852	6 423	6 543	4 785	4 785	4 785	6 650	6 650	6 650
Refuse (removed at least once a week)	5 852	6 423	6 543	6 700	6 700	6 700	6 650	6 650	6 650
Cost of Free Basic Services provided (R200)									
Water (6 kilolitres per household per month)	5 476	6 020	6 602	7 723	7 723	7 723	9 231	9 926	10 672
Sanitation (free sanitation service)	5 046	5 349	5 670	6 010	6 010	6 010	6 370	6 753	7 158
Electricity/other energy (50kwh per household per month)	11 668	13 482	14 662	18 809	18 809	18 809	21 104	23 214	25 536
Refuse (removed once a week)	5 903	7 198	7 775	9 174	9 174	9 174	11 591	12 465	13 401
Total cost of FBS provided (minimum social package)	28 094	32 049	34 609	41 716	41 716	41 716	48 296	52 358	56 767
Highest level of free service provided									
Property rates (R value threshold)	50 000	100 000	100 000	100 000	100 000	100 000	220 000	220 000	220 000
Water (kilolitres per household per month)	6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)	4	4	4	4	4	4	4	4	4
Sanitation (R and per household per month)	51	54	58	61	61	61	65	69	73
Electricity (kwh per household per month)	50	50	50	50	50	50	50	50	50
Refuse (average litres per week)	210	210	210	210	210	210	210	210	210
Revenue cost of free services provided (R200)									
Property rates (R15 000 threshold rebate)	1 712	1 824	1 537	1 965	1 965	1 965	1 872	1 984	2 103
Property rates (other exemptions, reductions and rebates)	27 813	30 454	29 590	26 522	26 522	26 522	35 960	36 118	40 405
Water	13 295	15 549	9 010	9 791	9 791	9 791	10 776	11 588	12 458
Sanitation	4 094	4 779	5 182	6 420	6 420	6 420	8 805	7 214	7 646
Electricity/other energy	13 860	15 256	18 368	20 010	20 010	20 010	22 071	24 630	27 480
Refuse	6 871	9 934	10 992	10 545	10 545	10 545	11 426	12 287	13 210
Municipal Housing - rental rebates	15 176	-	-	-	-	-	-	-	-
Housing - top structure subsidies	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total revenue cost of free services provided (total social package)	82 941	77 796	74 679	75 253	75 253	75 253	88 300	95 819	103 302

WC032 Overstrand - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
REVENUE ITEMS:									
Property rates									
Total Property Rates	138 437	153 077	165 939	184 330	189 199	189 199	200 857	213 090	226 085
less Revenue Foregone	29 525	32 278	31 127	35 690	35 690	35 690	38 126	39 782	41 512
Net Property Rates	108 913	120 799	134 813	148 640	153 509	153 509	162 730	173 308	184 573
Service charges - electricity revenue									
Total Service charges - electricity revenue	224 950	247 563	268 362	323 104	323 104	323 104	341 092	373 983	410 237
less Revenue Foregone	-	-	-	13 018	13 018	13 018	2 215	2 348	2 489
Net Service charges - electricity revenue	224 950	247 563	268 362	310 085	310 085	310 085	338 877	371 635	407 747
Service charges - water revenue									
Total Service charges - water revenue	83 735	85 243	95 136	101 149	101 149	101 149	103 365	109 152	115 288
less Revenue Foregone	-	-	-	5 252	5 252	5 252	1 320	1 452	1 597
Net Service charges - water revenue	83 735	85 243	95 136	95 897	95 897	95 897	102 045	107 700	113 691
Service charges - sanitation revenue									
Total Service charges - sanitation revenue	57 212	56 895	62 798	63 455	63 554	63 554	66 375	70 081	74 010
less Revenue Foregone	-	-	-	-	99	99	-	-	-
Net Service charges - sanitation revenue	57 212	56 895	62 798	63 455	63 455	63 455	66 375	70 081	74 010
Service charges - refuse revenue									
Total refuse removal revenue	39 498	46 637	52 957	56 130	56 549	56 549	59 488	63 061	66 849
Total landfill revenue	-	-	-	-	-	-	-	-	-
less Revenue Foregone	-	-	-	-	419	419	-	-	-
Net Service charges - refuse revenue	39 498	46 637	52 957	56 130	56 130	56 130	59 488	63 061	66 849
Other Revenue by source									
Building plan fees	3 252	2 880	3 439	3 300	3 300	3 300	4 500	4 950	5 445
Collection charges	2 071	2 542	2 288	2 805	2 805	2 805	3 850	4 225	4 689
Developers contributions	1 719	2 615	2 768	1 995	1 995	1 995	1 451	1 434	1 519
Central improvement district	3 683	-	-	4 869	-	-	-	-	-
Sundry income	599	2 637	1 330	869	869	869	-	-	-
Town planning fees	758	793	906	803	803	803	1 013	1 114	1 225
Admission fees	681	707	714	770	770	770	562	589	620
Valuation and clearance certificates	335	388	400	504	504	504	495	545	599
Fair value adjustments	-	49 649	(7 021)	-	-	-	-	-	-
Roadworthy certificates	453	463	493	578	578	578	630	693	762
SETA claims	1 046	1 058	133	848	848	848	-	-	-
Exchange Revenue (SCOA) / Other Income	2 819	5 247	5 054	4 577	4 682	4 682	4 142	4 540	4 983
Total 'Other' Revenue	17 375	68 978	10 504	21 717	16 933	16 933	16 643	18 150	19 812
EXPENDITURE ITEMS:									
Employee related costs									
Basic Salaries and Wages	131 998	151 957	168 955	184 410	180 419	180 419	199 943	209 073	221 793
Pension and UIF Contributions	25 219	24 051	25 104	29 321	29 321	29 321	31 736	33 873	35 726
Medical Aid Contributions	7 521	8 176	8 828	11 463	11 463	11 463	11 818	12 327	13 079
Overtime	12 030	12 428	14 370	13 913	13 913	13 913	15 295	16 228	16 938
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	8 299	9 178	9 750	11 780	11 760	11 760	12 164	11 881	12 029
Cellphone Allowance	-	-	-	1 638	1 638	1 638	1 502	1 597	1 506
Housing Allowances	1 025	1 046	967	1 018	1 018	1 018	153	153	153
Other benefits and allowances	9 693	11 182	11 624	11 118	11 118	11 118	10 373	10 703	11 234
Payments in lieu of leave	1 327	2 138	1 659	2 350	2 350	2 350	729	773	819
Long service awards	759	690	3 687	1 200	1 291	1 291	1 802	2 028	2 815
Post-retirement benefit obligations	10 068	10 795	17 799	11 875	11 925	11 925	6 578	6 973	7 391
sub-total	207 938	231 642	260 645	280 066	276 217	276 217	291 593	305 408	323 583
Less: Employees costs capitalised to PPE	-	-	-	-	-	-	-	-	-
Total Employee related costs	207 938	231 642	260 645	280 066	276 217	276 217	291 593	305 408	323 583
Contributions recognised - capital									
Public contribution - non cash - assets	4 471	4 387	7 871	-	-	-	-	-	-
DWA ACIP project	1 302	-	-	1 000	1 000	1 000	-	-	-
Government contribution - non cash - assets	-	180	-	-	-	-	-	-	-
KM CSIR	395	-	-	-	-	-	-	-	-
Spaces for sport/lotto	158	200	-	51	1 134	1 134	1 000	-	-
Eskom Solar Rebate/ Story Point Eco Centre etc	2 280	622	-	1 083	(83)	(83)	-	-	-
Total Contributions recognised - capital	8 603	5 289	7 871	2 134	2 051	2 051	1 000	-	-



Depreciation & asset impairment									
Depreciation of Property, Plant & Equipment	100 920	94 948	99 130	109 265	105 461	105 461	111 362	118 043	125 125
Lease amortisation		235	231						
Capital asset impairment	3 111	9 224							
Depreciation resulting from revaluation of PPE									
Total Depreciation & asset impairment	104 041	104 408	99 361	109 265	105 461	105 461	111 362	118 043	125 125
Bulk purchases									
Electricity Bulk Purchases	126 669	145 022	157 055	169 444	169 444	169 444	193 573	221 138	252 628
Water Bulk Purchases									
Total bulk purchases	126 669	145 022	157 055	169 444	169 444	169 444	193 573	221 138	252 628
Transfers and grants									
Cash transfers and grants	28 454	35 856	38 749	41 370	41 668	41 668	48 497	54 667	62 244
Non-cash transfers and grants	-	-	-	-	-	-	-	-	-
Total transfers and grants	28 454	35 856	38 749	41 370	41 668	41 668	48 497	54 667	62 244
Contracted services									
Specialist services									
Other contractors									
Ward projects	5 247	5 679	2 129	1 566	1 566	1 566			
Vehicle maintenance	4 732	4 925	5 665	6 198	6 676	6 676			
Maintenance contractors	41	45 380	49 471	55 483	55 451	55 451			
Contracted services	14 059	11 713	15 488	17 816	18 773	18 773			
Maintenance Of Unspecified Assets							25 439	26 465	28 088
Maintenance Of Buildings & Facilities							15 463	16 286	17 241
Haulage							7 698	8 004	8 331
Civil							6 828	7 156	7 586
Litter Picking & Street Cleaning							6 430	6 835	7 281
Security Servs							5 219	5 905	6 260
Safeguard & Security							5 028	5 305	5 658
Business & Advisory - Valuer							4 488	1 541	1 279
Meter Management							4 387	4 588	4 854
Maintenance Of Equip							4 177	3 537	3 757
Business & Advisory - Project Management							4 017	4 115	4 417
Traffic Fines Management							3 968	4 206	4 458
Dumping Sites							3 423	3 763	4 127
Infrastructure & Planning - Ecological							2 640	2 796	2 964
Legal Cost - Legal Advice & Litigation							2 597	2 752	2 916
Chipping							2 490	2 639	2 798
Management Of Informal Settlements							1 981	2 100	2 226
Laboratory Servs - Water							1 802	1 910	2 025
Sewerage Servs							1 772	1 878	1 991
Infrastructure & Planning - Town Planner							1 700	1 802	1 910
Electrical							1 060	1 036	1 013
Other contractors							12 734	13 902	14 322
sub-total	24 079	67 697	72 754	81 062	82 467	82 467	125 322	128 122	135 442
Allocations to organs of state:									
Electricity									
Water									
Sanitation									
Other									
Total contracted services	24 079	67 697	72 754	81 062	82 467	82 467	125 322	128 122	135 442



Other Expenditure By Type									
Collection costs									
Contributions to 'other' provisions	3 601	3 246	(12 399)	3 010	49 216	49 216			
Consultant fees	10 766	9 376	9 431	12 858	12 858	12 858			
Audit fees (External)	2 501	2 969	3 599	4 104	4 104	4 104	4 514	4 786	5 073
General expenses	22 505	16 364	19 800	13 244	14 678	14 678	5 302	5 810	6 450
Conditional receipts expenses	54 612	4 133	28 072	3 382	5 189	5 189			
Property valuation charges	2 418	1 030	442	1 100	1 000	1 000			
Water catchment, research and testing	5 648	5 295	4 266	4 260	4 260	4 260			
Fuel and oil	9 042	9 903	11 477	12 506	12 514	12 514			
Chemicals	6 411	8 488	10 553	9 664	9 649	9 649			
Legal fees	2 766	1 669	3 017	1 700	1 940	1 940			
Telephone and fax	3 912	2 934	2 639	3 342	3 142	3 142	3 048	3 221	3 431
Tourism development	2 824	2 732	2 796	2 618	1 649	1 649			
Security services	3 435	3 759	4 262	4 325	4 495	4 495			
Solid waste dumping fees	1 375	-	-						
Solid waste haulage	4 345	6 318	7 742	8 217	8 136	8 136			
Hermanus public protection	3 603	3 921	4 251	5 029	5 029	5 029			
Training	2 748	2 363	1 804	2 300	2 299	2 299	2 000	2 120	2 247
Prepaid Electricity	2 575	3 248	3 552	4 672	4 494	4 494	3 804	4 032	4 274
Commission paid	3 416	4 014	1 019	1 145	1 145	1 145	1 213	1 285	1 363
Advertising	1 368	1 511	1 905	1 623	1 668	1 668			
Management of informal settlements	1 475	1 512	1 982	1 869	1 869	1 869	1 981	2 100	2 226
Insurance	1 651	2 145	2 383	2 750	2 500	2 500	2 350	2 696	2 798
Printing and stationery	1 866	1 875	2 035	2 309	2 309	2 309			
Solid waste chipping	2 369	2 151	2 076	2 809	2 583	2 583			
Special projects	1 059	1 270	714	868	868	868			
Workmen's Compensation Assurance				1 650	1 650	1 650	1 750	1 802	1 910
SALGA Membership Fees				2 505	2 505	2 505			
Rentals (Equipment & Offices)				1 731	1 426	1 426			
Postage & Courier Services				1 818	1 788	1 788	1 571	1 860	2 181
Decommissioning Cost							4 619	4 896	5 190
Op Cst - Prof Bodies Memb & Subs							3 365	3 416	3 617
Specialised Computer Service							2 452	2 511	2 781
Op Cat - Uniform & Protective Clothing							2 395	2 433	2 577
Operational Cost - Skills Dev Fund Lev							2 082	2 231	2 367
Infrastructure & Planning - Town Plan							1 700	1 747	1 852
Software Licences							2 051	2 184	2 326
Dumping Fees (District Council)							1 724	1 831	1 942
Bank Chgs Fac & Card Fees - Bank Account							1 639	1 738	1 842
Op Cat - Printing & Publications							1 471	1 543	1 636
Third Party Vendors							1 213	1 286	1 363
Operating Lease							1 170	1 245	1 325
Wireless Ntwrk							937	998	1 063
Corporate Municipal Activities							721	767	807
Op Cat - Remuneration To Ward Comms							689	689	689
System Adviser							634	685	740
Tenders							612	648	687
Op Cat - Levies Paid - H2O Res Man Chrg							560	575	594
Municipal Newsletters							454	483	515
Total 'Other' Expenditure	158 290	102 146	117 460	117 407	164 963	164 963	58 921	61 721	65 866
By Expenditure Item									
Employee related costs	15 563	27 460	35 905	40 285	40 285	40 285	45 175	47 787	50 645
Other materials	5 188	9 153	8 865	8 907	8 807	8 807	14 541	15 638	16 361
Contracted Services	12 320	21 740	32 675	34 161	34 964	34 964	35 194	37 739	39 865
Other Expenditure	31 774	56 061	72 912	79 016	79 016	79 016	25 167	25 650	43 884
Total Repairs and Maintenance Expenditure	64 845	114 414	150 358	162 268	163 071	163 071	121 077	126 814	150 754



WC032 Overstrand - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Vote 1 - Council	Vote 2 - Municipal Manager	Vote 3 - Management Services	Vote 4 - Finance	Vote 5 - Community Services	Vote 6 - Local Economic Development	Vote 7 - Infrastructure & Planning	Vote 8 - Protection Services	Total
R thousand									
Revenue By Source									
Property rates	-	-	-	162 730	-	-	-	-	162 730
Property rates - penalties & collection charges	-	-	-	891	-	-	-	-	891
Service charges - electricity revenue	-	-	-	616	-	-	338 261	-	338 877
Service charges - water revenue	-	-	-	-	102 045	-	-	-	102 045
Service charges - sanitation revenue	-	-	-	-	66 375	-	-	-	66 375
Service charges - refuse revenue	-	-	-	-	59 488	-	-	-	59 488
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	11 815	-	43	-	11 859
Interest earned - external investments	-	-	-	6 348	-	-	-	-	6 348
Interest earned - outstanding debtors	-	-	-	2 437	-	-	-	-	2 437
Dividends received	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	67	-	-	31 792	31 859
Licences and permits	-	-	-	-	484	-	-	1 706	2 190
Agency services	-	-	-	-	-	-	-	2 970	2 970
Other revenue	210	-	61	5 868	1 749	1 430	6 117	1 209	16 643
Transfers recognised - operational	64 598	-	-	1 450	5 474	1 561	17 141	-	90 324
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contri	64 808	-	61	180 339	247 498	3 091	361 563	37 476	895 035
Expenditure By Type									
Employee related costs	8 330	4 026	19 897	37 335	141 871	4 813	44 590	30 731	291 593
Remuneration of councillors	8 674	-	-	-	-	-	-	-	8 674
Debt impairment	-	-	-	-	-	-	-	22 792	22 792
Depreciation & asset impairment	22	18	2 267	298	79 250	126	28 206	1 175	111 362
Finance charges	-	-	54	119	30 030	-	16 692	-	46 895
Bulk purchases	-	-	-	-	-	-	193 573	-	193 573
Other materials	20	34	309	377	24 070	128	30 566	2 298	57 801
Contracted services	-	-	7 403	2 408	57 475	423	47 038	10 573	125 322
Transfers and grants	46 570	-	278	-	-	1 649	-	-	48 497
Other expenditure	7 571	411	1 380	29 197	8 920	3 241	5 318	1 884	58 021
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Expenditure	71 287	4 469	31 568	69 733	341 618	10 379	365 982	69 453	964 529
Surplus/(Deficit)	(6 479)	(4 469)	(31 527)	110 606	(94 120)	(7 288)	(4 420)	(31 777)	(69 494)
Transfers recognised - capital	-	-	930	-	24 451	-	37 973	-	63 354
Contributions recognised - capital	-	-	-	-	1 000	-	-	-	1 000
Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(6 479)	(4 469)	(30 597)	110 606	(68 669)	(7 288)	33 553	(31 777)	(5 140)



WC032 Overstrand - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year 2016/17	Budget Year +2 2017/18
R thousand									
ASSETS									
<u>Call investment deposits</u>									
Call deposits < 90 days	75 000	55 042	50 039						
Other current investments > 90 days									
Total Call investment deposits	75 000	55 042	50 039	-	-	-	-	-	-
<u>Consumer debtors</u>									
Consumer debtors	68 475	65 941	63 810	69 091	69 091	69 091	67 774	71 841	76 151
Less: Provision for debt impairment	(18 114)	(19 916)	(16 359)	(16 500)	(16 500)	(16 500)	(16 000)	(15 500)	(15 000)
Total Consumer debtors	50 361	46 025	47 451	52 591	52 591	52 591	51 774	56 341	61 151
<u>Debt impairment provision</u>									
Balance at the beginning of the year	20 232	18 114	16 916	17 000	17 000	17 000	16 500	16 000	15 500
Contributions to the provision	(150)	534	(107)						
Bad debts written off	(1 928)	(1 792)	(449)	(500)	(500)	(500)	(500)	(500)	(500)
Balance at end of year	18 114	16 916	16 359	16 500	16 500	16 500	16 000	15 500	15 000
<u>Property, plant and equipment (PPE)</u>									
PPE at cost/valuation (excl. finance leases)	5 709 629	5 819 933	5 900 309	6 061 941	6 126 505	6 126 505	6 120 857	6 215 263	6 318 825
Leases recognised as PPE	1 208	1 379	136	1 406	1 406	1 406	6 923	6 923	6 923
Less: Accumulated depreciation	2 637 823	2 724 192	2 789 392	2 990 924	2 987 120	2 987 120	3 005 433	3 122 508	3 246 667
Total Property, plant and equipment (PPE)	3 073 014	3 097 120	3 111 056	3 072 423	3 140 791	3 140 791	3 122 347	3 099 677	3 079 080
LIABILITIES									
<u>Current liabilities - Borrowing</u>									
Short term loans (other than bank overdraft)	374	485	63	1 176	1 135	1 135	1 271	1 352	1 538
Current portion of long-term liabilities	16 424	17 756	20 381	23 929	23 929	23 929	26 841	29 378	32 831
Total Current liabilities - Borrowing	16 798	18 241	20 443	25 105	25 064	25 064	28 113	30 730	34 370
<u>Trade and other payables</u>									
Trade and other creditors	63 172	71 706	61 518	55 831	50 563	50 563	74 229	70 679	84 789
Unspent conditional transfers	4 555	7 783	3 425	-	-	-	-	-	-
VAT									
Total Trade and other payables	67 728	79 489	64 943	55 831	50 563	50 563	74 229	70 679	84 789
<u>Non current liabilities - Borrowing</u>									
Borrowing	340 581	364 394	392 444	407 225	407 225	407 225	411 567	412 288	409 060
Finance leases (including PPP asset element)	623	238	-	4 541	5 604	5 604	4 333	2 981	1 443
Total Non current liabilities - Borrowing	341 204	364 632	392 444	411 766	412 829	412 829	415 900	415 269	410 503
<u>Provisions - non-current</u>									
Retirement benefits	71 562	79 887	95 535	92 875	107 290	107 290	113 727	120 591	127 784
List other major provision items									
Refuse landfill site rehabilitation	32 057	31 933	24 054	36 617	64 550	64 550	78 422	82 528	86 880
Other	7 478	7 498	8 938	8 008	9 040	9 040	9 520	10 028	10 568
Total Provisions - non-current	111 097	119 319	128 527	137 501	180 879	180 879	201 669	213 107	225 231
CHANGES IN NET ASSETS									
<u>Accumulated Surplus/(Deficit)</u>									
Accumulated Surplus/(Deficit) - opening balance	2 564 679	2 847 332	2 855 854	2 857 322	2 857 322	2 857 322	2 738 817	2 733 677	2 730 282
GRAP adjustments	364 261	(9 929)	(8 220)						
Restated balance	2 928 940	2 837 403	2 849 634	2 857 322	2 857 322	2 857 322	2 738 817	2 733 677	2 730 282
Surplus/(Deficit)	(61 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679
Appropriations to Reserves									
Transfers from Reserves		1 333	620						
Depreciation offsets									
Other adjustments									
Accumulated Surplus/(Deficit)	2 847 332	2 849 634	2 805 240	2 808 575	2 791 899	2 791 899	2 733 677	2 730 282	2 733 960
<u>Reserves</u>									
Housing Development Fund	1 920	1 891	2 565	1 934	2 573	2 573	2 637	2 703	2 757
Capital replacement									
Self-insurance									
Other reserves									
Revaluation	-	-							
Total Reserves	1 920	1 891	2 565	1 934	2 573	2 573	2 637	2 703	2 757
TOTAL COMMUNITY WEALTH/EQUITY	2 849 252	2 851 526	2 907 805	2 810 509	2 794 472	2 794 472	2 736 314	2 732 985	2 736 717



WC032 Overstrand - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective			Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework			
					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year *1 2016/17	Budget Year *2 2017/18	
R thousand														
The provision of democratic, accountable and ethical governance	Good Governance	1			187 928	232 385	199 504	183 397	232 413	232 413	255 984	272 264	292 533	
The provision and maintenance of municipal services	Basic Service Delivery	2			456 833	491 155	485 124	559 189	540 568	540 588	601 451	638 786	690 447	
The encouragement of structured community participation in the matters of the municipality	Good Governance	3			19 203	41 457	62 333	53 338	44 557	44 557				
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4			10 348	20 208	28 620	13 250	36 170	36 170	37 777	38 275	40 923	
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5			6 909	7 765	11 427	11 658	14 191	14 191	64 167	85 773	78 067	
Allocations to other priorities														
Total Revenue (excluding capital transfers and contributions)					660 918	762 969	787 067	820 842	867 900	867 900	959 369	1 034 098	1 101 971	



WC032 Overstrand - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective			Goal	Goal Code	2011/12			2012/13			2013/14			Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
						Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18					
R thousand																			
The provision of democratic, accountable and ethical governance	Good Governance	1	190 332	205 348	119 512	93 258	124 070	124 070	235 543	248 313	267 048								
The provision and maintenance of municipal services	Basic Service Delivery	2	310 958	340 423	448 042	827 915	533 688	533 688	578 367	623 726	677 325								
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	188 607	137 754	181 602	63 289	63 253	83 253	1 735										
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	36 252	48 275	64 229	56 208	79 097	79 097	79 405	79 497	82 921								
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	15 378	14 271	18 637	28 020	132 634	132 634	72 480	85 957	70 997								
Allocations to other priorities																			
Total Expenditure			742 525	752 070	832 022	869 588	933 322	933 322	964 529	1 037 493	1 096 292								



WC032 Overstrand - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
The provision of democratic, accountable and ethical governance	Good Governance	1	24 047	7 154	21 308	16 815	17 776	17 776	2 548	3 730	–
The provision and maintenance of municipal services	Basic Service Delivery	2	127 589	103 790	73 989	54 300	58 987	58 987	58 033	45 328	48 287
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	9 484	20 219	29 927	22 515	27 425	27 425	3 465	–	–
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	645	–	–	–	–	–	295	–	–
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	1 531	2 801	5 686	3 090	6 300	6 300	39 473	45 550	55 174
Allocations to other priorities											
Total Capital Expenditure			163 275	143 764	130 930	97 721	117 588	117 588	100 914	94 606	103 561



WC032 Overstrand - Supporting Table SA7 Measureable performance objectives

25 March 2015 (Draft TL SDBIP kpi's for 2015/16)

Description	Unit of measurement	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Council										
Council and Municipal Manager										
Municipal Manager										
Risk based audit plan approved by the Audit Committee by the end of June 2015	Plan approved	1	1	1	1	1	1	1	1	1
Quarterly report to the Management, Executive Mayor, Auditor-General and Audit Committee on progress with implementation of key controls as identified in key control deficiencies	Quarterly reports submitted on achievement of committed dates	1	1	1	4	4	4	4	4	4
Submit quarterly progress reports on the revision of the top 10 risks as a corrective action to the Executive Management Team	Number of progress reports submitted	1	1	1	4	4	4	4	4	4
Percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's ICP (Actual amount spent on projects as identified for the year in the IDP/Total amount spent on capital projects)(x100)	% of capital budget spent	91.80%	88.00%	93.77%	98%	98%	98%	98%	98%	98%
Management Services										
Director: Management Services										
Human Resources										
90% of the approved and funded organogram filled (Actual number of posts filled divided by the funded posts budgeted) x100	% filled	91.25%	92.86%	92.41%	90%	90%	90%	90%	90%	90%
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	The number of people from EE target groups employed	4	2	no kpi set	54	54	54	54	54	54
The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan	% of the training budget spent on implementation of the WSP	100%	100%	100%	100%	100%	100%	100%	100%	100%
Review the Municipal Organisational Staff Structure by the end of June	Structure reviewed	no kpi set	no kpi set	0	1	1	1	1	1	1
Revise the Section 14 Access to Information Manual by the end of June to ensure compliant and up to date policies	Policy revised	1	1	1	1	1	1	1	1	1
Provide legal assistance and input on policies, contracts, agreements, legislation, by-laws and authorities within 5 working days	Number of responses to legal assistance provided within 5 working days	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	120	120	120
Monthly Report on additional court matters	Number of reports on court matter	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	24	24	24
Establishment of LDAC (Local Drug Action Committee) in terms of the Prevention and Treatment of Substance Abuse Act by August 2015	Established LDAC	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	1	0	0
Finance										
Director: Finance										
Director: Finance										
Financial viability measured in terms of the available cash to cover fixed operating expenditure (Available cash = investments/ Monthly fixed operating expenditure)	Ratio achieved	5.17%	3.49%	2.30%	1.2	1.2	1.2	1.3	1.3	1.3
Financial viability measured in terms of the municipality's ability to meet its service debt obligations (Total operating revenue-operating grants received)/debt service payments due within the year (%)	Ratio achieved	18.80%	17.48%	16.90%	17	17	17	17	17	17
Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	% achieved	11.60%	11.80%	10.40%	12	12	12	12.2	12.2	12.2
Appointment of a service provider to submit a revised long term financial plan by the end of June 2016	Reviewed plan approved	no kpi set	no kpi set	no kpi set	1	1	1	1	0	0
Financial statements submitted to the Auditor General by 31 August 2015	Financial statements submitted	1	1	1	1	1	1	1	1	1
Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements	Number of households	5477	6523	6636	6580	6580	6580	6650	6650	6650
Revenue										
Achieve a debt recovery rate not less than 95%	% Recovered	no kpi set	100.44%	100.33%	95%	95%	95%	96%	96%	96%



Description	Unit of measurement	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Community Services										
Director: Community Services										
Director: Community Services										
Ward committee meetings held to facilitate constant and regular communication with residents	No of ward committee meetings per ward per annum	8	8	9	8	8	8	8	8	8
98% of the operational conditional grant (Libraries, CDW) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Libraries, CDW)	100.0%	100.0%	100.45%	98%	98%	98%	98%	98%	98%
m² of roads patched (works orders) and ressealed according to approved Pavement Management System within available budget	m² of roads patched (works orders) and ressealed	171344	216162	101560	120000	120000	120000	100000	100000	100000
Quality of effluent comply 90% with SANS 241	% compliance	88.60%	86.02%	92.78%	90%	90%	90%	90%	90%	90%
Quality of potable water comply 95% with SANS 241	% compliance	no kpi set	no kpi set	95.38%	95%	95%	95%	95%	95%	95%
Quality of potable water comply 95% with SANS 241	% of water unaccounted for	27.25%	25.97%	21.5%	25%	25%	25%	25%	25%	25%
Unit unaccounted water to less than 25% ((Number of kiloliter water purified - Number of kiloliter water sold)/(Number of kiloliter sold x 100))										
Provision of water to informal households with access within a 200 m radius	No of informal households that have access to water within a 200 m radius	3565	no kpi set	no kpi set	3406	3406	3406	3152	3152	3152
Provision of cleaned piped water to all formal households within 200 m from households	No of formal households that meet agreed service standards for piped water	25066	25426	27373	28077	28077	28077	32483	33538	34438
Provision of refuse removal, refuse dumps and solid waste disposal to all formal households at least once a week	Number of formal households for which refuse is removed at least once a week	32268	no kpi set	34399	32687	32687	32687	33094	34085	35156
Provision of refuse removal, refuse dumps and solid waste disposal to all informal households, at least once a week	Number of informal households for which refuse is removed at least once a week	3565	no kpi set	no kpi set	3406	3406	3406	3152	3152	3152
The provision of sanitation services to informal households based on the standard of 1 toilet to 5 households	No of informal households that have access to sanitation based on the standard of 1 toilet to 5 households	3565	no kpi set	no kpi set	3406	3406	3406	3152	3152	3152
Provision of sanitation services to formal residential households	No of formal residential households which are billed for sewerage in accordance to the SAMRAS financial system	30016	31221	31231	31202	31202	31202	32483	33538	34438
Local Economic Development										
Director: LED										
LED										
Report bi-annually to the Portfolio committee on LED and Tourism initiatives	Quarterly report on marketing tools	no kpi set	no kpi set	no kpi set	4	4	4	2	2	2
Report on Grants to festival organisers through Service Level Agreements (SLA) by end August 2015	Number of reports submitted	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	1	1	1
Develop and implement an SME Development Programme	Number of SME's supported	55	23	45	no kpi set	no kpi set	no kpi set	30	30	30
Financial and non-financial resources mobilised	Number of MOU's entered into and amount generated	no kpi set	no kpi set	no kpi set	2	2	2	3	3	3
Report quarterly to Director LED on linkages established with other spheres of government, agencies, donors, SALGA and other relevant bodies for benefit of local area	Quarterly report on linkages established	no kpi set	no kpi set	no kpi set	4	4	4	4	4	4
The number of job opportunities created through the EPWP programme and as per set targets (grant agreement - FTE's, translates to 396 work opportunities)	Number of temporary jobs created	204	609	517	287	287	287	396	396	396
Monthly operate the LED Walk Centre for outreach & referral purposes	Number of registers on LED outreach statistics (walk in centre)	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	12		
Compile an action plan to improve on the LED maturity	Plan completed	no kpi set	no kpi set	no kpi set	2	2	2			



Description	Unit of measurement	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Infrastructure & Planning										
Director: Infrastructure and Planning										
Electricity										
Limit electricity losses to 8% or less. ((Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) x 100)	% of electricity unaccounted for	7.10%	6.86%	5.95%	8.2%	8.8%	8.5%	8%	8%	8%
Provision of Electricity: Number of metered electrical connections in formal area (Ekurhuleni excluded)	Number of formal households that meet agreed service standards	20604	no kpi set	20751	21998	21998	21998	25354	25735	26116
Waste/Water Management										
Achieve two Green Drop awards	Number of awards	no kpi set	0	4	2	2	2	2	2	2
Achieve 5 Blue drop awards	Number of awards	no kpi set	no kpi set	no kpi set	0	0	0	5	5	5
Water										
Report on the implementation of the Water Service Development plan annually by the end of October 2015	Report submitted	1	1	1	1	1	1	1	1	1
Planning and Development										
Municipal Infrastructure Grant (MIG)- % expenditure	% expenditure of allocated grant	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	100%	100%	100%
Protection Services										
Director Protection Services										
Annually review Community Safety Plan by the end of June in conjunction with the Department of Community Safety	Plan reviewed	1	1	1	1	1	1	1	1	1
Arrange public awareness sessions on Protection Services	Number of sessions held	57	80	66	32	32	32	32	32	32
Disaster and Fire Management										
Annually review and submit Disaster Management Plan to the District by the end of June	Reviewed plan submitted	1	1	1	1	1	1	1	1	1
Annually review the Fire Management Plan by the end of June	Plan reviewed	1	1	1	1	1	1	1	1	1
Traffic										
Optimal collection of public safety income for the financial year	R-value of public safety collected income	R 4 883 128	R 6 730 902	R 5 154 575	10000000	10000000	10000000	8000000	8000000	8000000



WC032 Overstrand - Supporting Table SA8 Performance indicators and benchmarks

		2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
Description of financial indicator	Basis of calculation	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Borrowing Management</u>										
Credit Rating	Interest & Principal Paid / Operating Expenditure	6.2%	5.8%	7.3%	7.6%	7.0%	7.0%	7.3%	7.1%	7.0%
Capital Charges to Operating Expenditure	Finance charges & Repayment of borrowing / Own Revenue	5.2%	7.7%	9.1%	8.1%	8.7%	8.7%	8.8%	8.5%	8.2%
Capital Charges to Own Revenue										
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	117.8%	45.1%	99.9%	74.2%	78.7%	78.7%	73.8%	85.2%	95.5%
<u>Safety of Capital</u>										
Gearing	Long Term Borrowing/ Funds & Reserves	17772.5%	19277.5%	15300.9%	21294.4%	18045.6%	16045.6%	15774.5%	15362.7%	14388.6%
<u>Liquidity</u>										
Current Ratio	Current assets/current liabilities	1.7	1.3	1.2	1.3	1.4	1.4	1.2	1.3	1.4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.7	1.3	1.0	1.1	1.2	1.2	1.1	1.2	1.3
Liquidity Ratio	Monetary Assets/Current Liabilities	0.9	0.5	0.4	0.6	0.6	0.6	0.6	0.7	0.9
<u>Revenue Management</u>										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		105.3%	91.5%	103.1%	99.5%	99.8%	0.0%	101.2%	99.9%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		104.9%	91.5%	103.1%	99.6%	99.8%	99.8%	101.2%	99.9%	99.3%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	14.6%	14.4%	13.5%	12.4%	13.3%	13.3%	10.7%	9.7%	9.6%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	86.7%	90.3%	97.2%	100.3%	100.3%	100.3%	99.5%	99.5%	99.5%
<u>Creditors Management</u>										
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))	99.8%	100.0%	97.8%	95.0%	95.0%	95.0%	98.0%	98.0%	98.0%
Creditors to Cash and Investments		49.9%	85.2%	97.4%	93.4%	56.5%	55.5%	78.1%	55.6%	48.2%
<u>Other Indicators</u>										
Electricity Distribution Losses (2)	Total Volume Losses (kW)	16012859	15831477	13668967	15896000	15896000	15896000	13 667 000	13 665 499	13 664 000
	Total Cost of Losses (Rand '000)	6 513	7 101	7 028	9 127	9 127	9 127	7 927	7 926	7 925
	% Volume (units purchased and generated less units sold)/units purchased and generated	7.12%	6.91%	5.95%	6.67%	6.67%	6.67%	5.95%	5.94%	5.92%
Water Distribution Losses (2)	Total Volume Losses (k l)	1 429	1 445	1 455	1 476	1 476	1 476	1 453	1 451	1 449
	Total Cost of Losses (Rand '000)	2891622	3629726	5726220	3086	3085	3085	4272	4264	4260
	% Volume (units purchased and generated less units sold)/units purchased and generated	20.36%	20.01%	21.47%	20.23%	20.23%	20.23%	20.19%	20.05%	20.00%
Employee costs	Employee costs/(Total Revenue - capital revenue)	34.8%	32.9%	35.4%	35.7%	34.1%	34.1%	32.6%	31.4%	31.5%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	35.9%	33.9%	36.5%	36.8%	35.1%	35.1%	33.5%	32.3%	32.4%
Repairs & Maintenance	RAM/(Total Revenue excluding capital revenue)	10.9%	16.3%	20.4%	20.7%	20.1%	20.1%	13.5%	13.0%	14.7%
Finance charges & Depreciation	FCAD/(Total Revenue - capital revenue)	22.7%	20.1%	18.9%	19.7%	18.5%	18.5%	17.7%	16.9%	16.8%
<u>DP regulation financial viability indicators</u>										
I. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	24.0	22.8	22.7	24.6	24.6	24.6	22.4	22.1	23.9
II. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	16.6%	17.9%	15.9%	14.2%	15.7%	15.7%	12.9%	11.8%	11.4%
III. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	3.1	1.8	1.2	1.8	1.5	1.5	1.5	1.9	2.4



WC032 Overstrand - Supporting Table SA3 Social, economic and demographic statistics and assumptions

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Forecast & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics											
Population		55	75	88	85	97	99	99	97	101	108
Female aged 5 - 14		2	8	8	8	8	8	8	8	7	7
Male aged 5 - 14		3	8	8	8	8	8	8	8	7	7
Female aged 15 - 34		8	12	13	14	14	15	15	16	18	18
Male aged 15 - 34		8	11	14	14	15	15	16	16	17	18
Unemployment		5	8	4	4	5	5	5	5	5	6
Monthly household income (no. of households)											
No income		2 229	770	4 585	4 769	4 945	5 129	5 323	5 529	5 736	5 953
R1 - R1 800		8 148	9 387	9 329	9 524	9 739	9 957	9 183	9 419	9 662	9 919
R1 801 - R2 200		3 742	3 177	4 378	5 093	5 799	6 493	6 863	7 278	7 751	8 233
R2 201 - R3 400		3 344	2 789	4 262	4 928	5 700	6 478	6 966	7 394	7 868	8 383
R3 401 - R12 800		2 303	2 780	3 830	3 979	4 127	4 283	4 448	4 615	4 781	4 973
R12 801 - R25 600		920	1 947	2 894	3 008	3 126	3 239	3 362	3 485	3 622	3 780
R25 601 - R52 200		227	1 996	1 456	1 811	1 880	1 929	1 999	1 754	1 821	1 889
R52 201 - R102 400		27	104	486	554	544	544	544	560	568	637
R102 401 - R204 800		84	178	109	112	117	122	127	131	136	142
R204 801 - R409 600		27		81	84	87	81	84	88	101	105
> R409 600											
Poverty analysis (no. of households)											
> R2 000 per household per month - insert description	# households earning less than R1800 based on monthly insert description	6 148	5 357	5 326	5 528	5 738	5 957	6 183	6 418	6 662	6 919
Household demographics (000)											
Number of people in municipal area	State SA	55 912	74 549	88 432	82 490	89 941	89 954	93 372	98 320	105 503	108 249
Number of poor people in municipal area				37 433	38 836	40 522	41 863	43 459	45 187	46 921	48 500
Number of households in municipal area	State SA		21 953	28 509							
Number of poor households in municipal area			8 426	16 317	17 277	18 085	19 489	20 651	21 868	23 380	24 681
Deficit of poor households (R per month)			2 281	4 581	4 681	4 881	5 121	5 401	5 725	6 069	6 433
Housing statistics											
Formal				22 982	22 138	23 162	23 988	23 813	24 416	24 913	25 293
Informal				2 558	3 421	1 407	3 220	3 188	3 188	3 188	3 188
Total number of households				25 540	25 559	24 569	27 208	27 002	27 604	28 101	28 481
Dwellings provided by municipality				88	419	-	183	-	233	214	80
Dwellings provided by provinces				-	-	-	-	-	-	-	-
Dwellings provided by private sector				118	473	208	214	264	215	280	300
Total new housing dwellings				118	558	418	397	215	448	494	380
Economic											
Inflation/output (CPI)					5.0%	5.7%	5.9%	5.8%	4.8%	5.0%	5.0%
Interest rate - borrowing					8.8%	9.7%	9.7%	9.7%	8.6%	9.0%	9.0%
Interest rate - investment					9.0%	9.1%	9.4%	9.2%	8.2%	8.0%	8.0%
Remuneration increases					8.1%	9.2%	9.2%	9.2%	8.1%	8.7%	9.1%
Consumption growth (electricity)					1.7%	1.9%	2.0%	1.9%	1.6%	1.9%	1.5%
Consumption growth (water)					4.2%	4.2%	4.4%	3.9%	3.0%	3.0%	3.0%
Collection rates											
Property tax/charges					89.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Rents of facilities & equipment					88.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - external investments					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - donors					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Revenue from agency services					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%



WC032 Overstrand Supporting Table SA10 Funding measurement

Description	MFMA section	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Funding measures										
Cash/cash equivalents at the year end - R'000	18(1)b	125 999	84 147	63 158	88 050	89 421	89 421	97 547	127 071	171 875
Cash + investments at the yr end less applications - R'000	18(1)b	130 018	89 356	66 147	126 920	144 149	144 149	117 777	148 095	182 152
Cash year and monthly employee/supplier payments	18(1)a	3.1	1.8	1.2	1.6	1.5	1.5	1.5	1.9	2.4
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	(81 907)	10 899	(45 015)	(48 747)	(85 423)	(85 423)	(5 140)	(3 365)	3 879
Service charge rev % change - macro CPI-X target exclusive	18(1)a(2)	N.A.	2.3%	4.2%	3.8%	(5.3%)	(5.0%)	1.4%	1.7%	1.8%
Cash receipts % of Ratepayer & Other revenue	18(1)a(2)	104.9%	91.5%	103.1%	99.8%	99.8%	99.8%	101.2%	99.9%	99.3%
Debt impairment expense as a % of total billable revenue	18(1)a(2)	0.0%	1.2%	2.0%	0.0%	3.4%	3.4%	-3.1%	2.9%	2.7%
Capital payments % of capital expenditure	18(1)c(19)	100.0%	100.0%	100.0%	100.0%	104.4%	104.4%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	101.4%	43.0%	55.3%	65.2%	65.5%	65.5%	75.8%	88.9%	100.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	N.A.	N.A.	(2.1%)	(2.2%)	11.3%	0.0%	100.0%	100.0%	100.0%
Current consumer debtors % change - inor(decr)	18(1)a	N.A.	16.5%	(2.1%)	(2.2%)	11.3%	0.0%	(11.2%)	(1.4%)	4.3%
Long term receivables % change - inor(decr)	18(1)a	N.A.	(33.7%)	(15.4%)	(16.1%)	0.0%	0.0%	(28.3%)	(29.0%)	(33.9%)
RAM % of Property Plant & Equipment	20(1)(iv)	2.1%	3.7%	4.8%	5.3%	5.2%	5.2%	3.0%	4.1%	4.9%
Asset renewal % of capital budget	20(1)(v)	0.0%	2.9%	26.9%	28.8%	27.8%	27.9%	20.0%	22.2%	6.3%
Total Operating Revenue		597 482	703 871	736 378	784 474	810 351	810 351	895 035	973 222	1 028 409
Total Operating Expenditure		742 525	752 070	832 022	869 588	933 322	933 322	964 529	1 037 493	1 098 292
Operating Performance Surplus/(Deficit)		(145 043)	(48 199)	(95 646)	(85 115)	(122 971)	(122 971)	(69 494)	(64 271)	(69 883)
Cash and Cash Equivalents (26 June 2012)		125 999	84 147	63 158	88 050	89 421	89 421	97 547	127 071	171 875
Revenue										
% Increase in Total Operating Revenue			17.8%	4.9%	6.5%	3.3%	0.0%	10.5%	8.7%	5.7%
% Increase in Property Rates Revenue			10.9%	11.8%	10.2%	3.3%	0.0%	6.0%	6.5%	6.5%
% Increase in Electricity Revenue			10.1%	8.4%	15.5%	0.0%	0.0%	9.3%	9.7%	9.7%
% Increase in Property Rates & Services Charges			8.3%	10.2%	9.8%	0.7%	0.0%	7.4%	7.7%	7.8%
Expenditure										
% Increase in Total Operating Expenditure			1.3%	10.6%	4.5%	7.3%	0.0%	3.3%	7.6%	5.9%
% Increase in Employee Costs			11.4%	12.5%	7.5%	(1.4%)	0.0%	5.6%	4.7%	6.0%
% Increase in Electricity Bulk Purchases			14.5%	8.3%	7.9%	0.0%	0.0%	14.2%	14.2%	14.2%
Average Cost Per Budgeted Employee Position (Remuneration)			256026.1847	253913.1877				248375.8279		
Average Cost Per Councillor (Remuneration)			317300.44	340521.28				346970.92		
RAM % of PPE		2.1%	3.7%	4.8%	5.3%	5.2%	5.2%	3.0%	4.1%	4.9%
Asset Renewal and RAM as a % of PPE		2.0%	4.0%	6.0%	6.0%	6.0%	6.0%	4.0%	5.0%	5.0%
Debt Impairment % of Total Billable Revenue		0.0%	1.2%	2.0%	0.0%	3.4%	3.4%	3.1%	2.9%	2.7%
Capital Revenue										
Internally Funded & Other (R'000)		34 478	22 412	22 207	14 430	17 517	17 517	7 215	3 700	-
Borrowing (R'000)		73 964	67 544	70 634	48 923	48 770	48 770	32 348	30 000	30 000
Grant Funding and Other (R'000)		54 833	53 809	38 090	36 368	56 498	56 498	64 354	90 878	73 561
Internally Generated funds % of Non Grant Funding		31.8%	24.9%	23.9%	23.5%	26.4%	26.4%	18.2%	11.1%	0.0%
Borrowing % of Non Grant Funding		68.2%	75.1%	76.1%	78.5%	73.8%	73.8%	81.8%	88.9%	100.0%
Grant Funding % of Total Funding		33.8%	37.4%	29.1%	37.2%	46.0%	46.0%	31.9%	34.3%	71.0%
Capital Expenditure										
Total Capital Programme (R'000)		163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 608	103 561
Asset Renewal		-	4 147	47 032	28 138	32 838	32 838	20 758	21 000	6 500
Asset Renewal % of Total Capital Expenditure		0.0%	2.9%	35.9%	28.8%	26.7%	26.7%	20.0%	22.2%	6.3%
Cash										
Cash Receipts % of Rate Payer & Other		104.9%	91.5%	103.1%	99.8%	99.8%	99.8%	101.2%	99.9%	99.3%
Cash Coverage Ratio		3.1	1.8	1.2	1.8	1.5	1.5	1.5	1.9	2.4
Borrowing										
Credit Rating (2009/10)								0		
Capital Charges to Operating		6.2%	8.8%	7.3%	7.8%	7.0%	7.0%	7.3%	7.1%	7.0%
Borrowing Receipts % of Capital Expenditure		101.4%	43.0%	55.3%	65.2%	65.5%	65.5%	75.8%	88.9%	100.0%
Reserves										
Surplus/(Deficit)		130 018	89 356	66 147	126 920	144 149	144 149	117 777	148 095	182 152
Free Services										
Free Basic Services as a % of Equitable Share		90.1%	88.7%	82.3%	80.2%	80.2%	80.2%	74.8%	72.4%	71.3%
Free Services as a % of Operating Revenue (excl. operational transfers)		14.8%	11.7%	11.2%	10.4%	10.0%	10.0%	11.0%	11.1%	11.1%
High Level Outcome of Funding Compliance										
Total Operating Revenue		597 482	703 871	736 378	784 474	810 351	810 351	895 035	973 222	1 028 409
Total Operating Expenditure		742 525	752 070	832 022	869 588	933 322	933 322	964 529	1 037 493	1 098 292
Surplus/(Deficit) Budgeted Operating Statement		(145 043)	(48 199)	(95 646)	(85 115)	(122 971)	(122 971)	(69 494)	(64 271)	(69 883)
Surplus/(Deficit) Considering Reserves and Cash Backing		130 018	89 356	66 147	126 920	144 149	144 149	117 777	148 095	182 152
MTREF Funded (1) / Unfunded (0)		1	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗		✓	✓	✓	✓	✓	✓	✓	✓	✓



WC032 Overstrand - Supporting Table SA11 Property rates summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Valuation:									
Date of valuation:	02/07/2007	02/07/2011	02/07/2011						
Financial year valuation used	2008/2009	2012/2013	2012/2013	2012/2013			2012/2013		
Municipal by-laws 68 in place? (Y/N)	Yes		Yes				Yes		
Municipal/assistant valuer appointed? (Y/N)	Yes		Yes				Yes		
Municipal partnership s38 used? (Y/N)	No		No				No	No	No
No. of assistant valuers (FTE)	2	2	2	2	2	2	2	2	2
No. of data collectors (FTE)	6	6	6	12	12	12	6	6	6
No. of internal valuers (FTE)	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	4	4	3	3	3	3	3	3	3
No. of additional valuers (FTE)	-	-	1	1	1	1	-	-	-
Valuation appeal board established? (Y/N)	Yes		Yes				Yes		
Implementation time of new valuation roll (mths)		36	24	12			-		
No. of properties	40 907	40 801	41 025	41 230	41 230	41 230	41 848	41 492	41 492
No. of sectional title values	2 396	2 383	2 623	2 636	2 636	2 636	2 634	2 647	2 661
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	1	2	3	2	2	2	1	1	1
No. of valuation roll amendments	2	3	3	2	2	2	12	12	12
No. of objections by rate payers	24	830	103	100	100	100	1 500	400	400
No. of appeals by rate payers	1	53	5	10	10	10	150	40	40
No. of successful objections	5		24	20	20	20	750	200	200
No. of successful objections > 10%	-	137	14	10	10	10	75	20	20
Supplementary valuation	3 323	4 998	4 233	4 487	4 487	4 487	3 610	3 628	3 646
Public service infrastructure value (Rm)	38	40	40	43	43	43	83	83	83
Municipality owned property value (Rm)	701	694	694	736	736	736	737	741	745
Valuation reductions:									
Valuation reductions-public infrastructure (Rm)	41	40	40	43	43	43	85	85	86
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	275	277	279
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	458	453	453	480	480	480	434	436	438
Valuation reductions-public worship (Rm)	211	209	209	222	222	222	258	259	260
Valuation reductions-other (Rm)	2 057	2 048	2 046	2 169	2 169	2 169	2 254	2 265	2 276
Total valuation reductions:	2 778	2 749	2 749	2 913	2 913	2 913	3 306	3 323	3 339
Total value used for rating (Rm)	39 491	39 152	39 152	41 501	41 501	41 501	39 998	40 198	40 399
Total land value (Rm)	22 148	21 360	21 360	22 642	22 642	22 642	22 151	22 262	22 373
Total value of improvements (Rm)	20 119	20 540	20 540	21 772	21 772	21 772	21 153	21 259	21 365
Total market value (Rm)	42 257	41 900	41 900	44 414	44 414	44 414	43 304	43 521	43 739
Rating:									
Residential rate used to determine rate for other categories? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Differential rates used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)	No	No	No	No	No	No	No	No	No
Special rating area used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Phasing-in properties s21 (number)	No	No	No	No	No	No	No	No	No
Rates policy accompanying budget? (Y/N)	Yes	Yes	Yes	Yes			No	No	No
Fixed amount minimum value (R000)				100			220		
Non-residential prescribed ratio s19? (%)	46.0%	48.6%	51.4%	51.5%			51.0%		
Rate revenue:									
Rate revenue budget (R'000)	112 600	120 278	134 994	148 520	148 520	148 520	157 847	165 259	175 174
Rate revenue expected to collect (R'000)	112 600	120 278	134 994	148 520	148 520	148 520	157 847	165 259	175 174
Expected cash collection rate (%)	87.6%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Special rating areas (R'000)	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)	0	319	353	401	401	401	425	450	477
Rebates, exemptions - bona fide farm (R'000)	1	1 653	69	79	79	79	83	89	94
Rebates, exemptions - other (R'000)	2	3 708	3 410	3 875	3 875	3 875	4 108	4 354	4 615
Phase-in reductions/discounts (R'000)	-	-	-	-	-	-	-	-	-
Total rebates, exemptions, reductions, discounts (R'000)	3	5 680	3 833	4 355	4 355	4 355	4 616	4 893	5 187



WC032 Overstrand - Supporting Table SA12b Property rates by category (budget year)

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 82(1)(i) (note 1)	Project. Areas	National Monuments	Public benefit organs.	Mining Props.
Budget Year 2015/16																
Valuations																
No. of properties	37 009	-	1 636	289	191	1 875	585	-	-	-	-	-	114	-	139	-
No. of sectional title property values	2 253	-	386	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
TOTAL: 38 018																
No. of valuation roll amendments	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
No. of objections by rate-payers	1 200	200	200	100	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers	300	-	50	50	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	600	-	100	50	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	60	-	10	5	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued	100 107	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Method of valuation (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Proportion of properties s71 (number)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contribution of rating types used? (Y/N)	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
Flat rate used? (Y/N)	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
Is balance raised by uniform rate/variable rate?	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable
Valuation reductions:																
Valuation reductions: public infrastructure (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions: nature reserves/park (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions: mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions: R15,000 threshold (Rm)	434	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions: public works (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions: other (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:	2 254	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total value used for rating (Rm)	35 762	-	3 648	704	318	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	18 725	-	1 563	563	149	564	78	-	-	-	-	-	156	-	90	-
Total value of improvements (Rm)	18 068	-	2 115	184	176	174	7	-	-	-	-	-	75	-	167	-
Total market value (Rm)	36 793	-	3 678	747	328	737	85	-	-	-	-	-	273	-	258	-
Refinancing																
Average rate	0.004420	-	0.006700	0.001110	0.002700	-	-	-	0.004420	0.006700	-	-	-	-	0.004440	-
Rate revenue budget (R'000)	116 824	-	22 188	634	18 201	-	-	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)	116 824	-	22 188	634	18 201	-	-	-	-	-	-	-	-	-	-	-
Rate revenue collection rate (%)	100.0%	-	100.0%	100.0%	100.0%	-	-	-	-	-	-	-	-	-	-	-
Special ratepayers (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ratepayers, including: industrial (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ratepayers, including: professionals (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ratepayers, including: bona fide farm (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ratepayers, including: other (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ratepayers in only 2015/16 discounts (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total ratepayers and discounts (R'000)	425	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

WC032 Overstrand - Supporting Table SA13a Service Tariffs by category

Description	Provide description of tariff structure where appropriate	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
						Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Property rates (rate in the Rand)								
Residential properties		94 952 289	100 066 700	91 896 000	107 622 000	97 925 000	102 523 000	108 874 360
Residential properties - vacant land						18 899 000	19 796 000	20 973 160
Formal/external settlements								
Small holdings								
Farm properties - used		186 487	267 327	221 000	259 000	934 000	664 000	703 840
Farm properties - not used								
Industrial properties								
Business and commercial properties		17 562 116	19 923 518	18 418 000	21 567 000	22 188 000	23 230 000	24 621 800
Communal land - residential								
Communal land - small holdings								
Communal land - farm property								
Communal land - business and commercial								
Communal land - other								
State-owned properties				16 285 000	19 072 000	18 201 000	19 056 000	20 199 360
Municipal properties								
Public service infrastructure								
Privately owned towns serviced by the owner								
State trust land								
Restitution and redistribution properties								
Protected areas								
National monuments properties								
Exemptions, reductions and rebates (Rand)								
Residential properties								
R15 000 threshold rebate		15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate		15 000	15 000	15 000	15 000	15 000	15 000	15 000
Indigent rebate or exemption		35 000	100 000	100 000	100 000	220 000	220 000	220 000
Pensioners/social grants rebate or exemption		50 000	100 000	100 000	100 000	220 000	220 000	220 000
Temporary relief rebate or exemption		30-100%	30-100%	30-100%	30-100%	40-100%	40-100%	40-100%
Bona fide farmers rebate or exemption								
Other rebates or exemptions								
		85%	75%	75%	75%	75%	75%	75%
Water tariffs								
Domestic								
Basic charge/fees (Rand/month)		88	83	86	102	102	111	118
Service point - vacant land (Rand/month)		88	93	96	102	102	111	118
Water usage - flat rate tariff (c/k)								
Water usage - life line tariff	Consumption - Households			307	325	325	345	365
Water usage - Block 1 (c/k)	0 - 5 kl per kl	*	*	811	1 005	1 005	1 065	1 125
Water usage - Block 2 (c/k)	7 - 20kl per kl	702	746	1 316	1 631	1 631	1 729	1 833
Water usage - Block 3 (c/k)	21 - 30 kl per kl	702	1 200	2 026	2 512	2 512	2 663	2 822
Water usage - Block 4 (c/k)	31 - 60 kl per kl	1 755	1 862	2 932	3 263	3 263	3 459	3 666
Other	> 60 kl	2 369	2 518	3 509	4 351	4 351	4 612	4 889
Waste water tariffs								
Domestic								
Basic charge/fees (Rand/month)		70	81	86	91	91	96	102
Service point - vacant land (Rand/month)		161	123	130	109	109	116	122
Waste water - flat rate tariff (c/k)		811	877	965	1 026	1 026	1 088	1 153
Volumetric charge - Block 1 (c/k)	Basic charge - pumps	51	54	58	81	81	85	89
Volumetric charge - Block 2 (c/k)	Service per pump	351	373	396	419	419	444	471
Volumetric charge - Block 3 (c/k)	(8l in structure)							
Volumetric charge - Block 4 (c/k)	(8l in structure)							
Other								
Electricity tariffs								
Domestic								
Basic charge/fees (Rand/month)		152	158	193	204	204	216	229
Service point - vacant land (Rand/month)		152	158	193	204	204	216	229
FBE	Qualify for indigent (describe structure)							
Life-line tariff - meter	<30 Amp							
Life-line tariff - prepaid		720	795	795	886	886	939	996
Flat rate tariff - meter (c/kwh)								
Flat rate tariff - prepaid (c/kwh)	Credit meter							
Meter - BT Block 1 (c/kwh)	0 - 350 kWh	720	961	986	999	959	1 017	1 078
Meter - BT Block 2 (c/kwh)	351 - 650 kWh	980	1 133	1 201	1 300	1 300	1 378	1 461
Meter - BT Block 3 (c/kwh)	> 650 kWh	1 140	1 328	1 448	1 567	1 567	1 661	1 751
Meter - BT Block 4 (c/kwh)	(8l in thresholds)							
Meter - BT Block 5 (c/kwh)	Prepaid meter							
Prepaid - BT Block 1 (c/kwh)	0 - 350 kWh	720	795	819	886	886	939	996
Prepaid - BT Block 2 (c/kwh)	351 - 650 kWh	980	1 098	1 132	1 225	1 225	1 299	1 376
Prepaid - BT Block 3 (c/kwh)	> 650 kWh	1 140	1 277	1 392	1 508	1 508	1 596	1 692
Prepaid - BT Block 4 (c/kwh)	(8l in thresholds)							
Prepaid - BT Block 5 (c/kwh)	(8l in thresholds)							
Other								
Waste management tariffs								
Domestic								
Street cleaning charge								
Basic charge/fees		83	112	123	130	130	138	
80 bin - once a week								
250 bin - once a week		284	112	123	130	130	138	



WC032 Overstrand - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Provide description of tariff structure where appropriate	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
						Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Exemptions, reductions and rebates (Rands)</u>								
	RESIDENTIAL	0.00326	0.00360	0.00360	0.00414	0.00442	0.00438	0.00465
	BUSINESS & COMMERCIAL	0.00478	0.00545	0.00545	0.00626	0.00670	0.00664	0.00700
	FARM PROPERTIES	0.00326	0.00090	0.00090	0.00103	0.00111	0.00109	0.00116
	VACANT					0.00605	0.00641	0.00680
<u>Water tariffs</u>								
	Basic charge/ fixed fee			96	102	102	108	115
	Service point - vacant land			96	102	102	108	115
	0 - 6 kl	-	-	307	325	325	345	365
	7 - 16 kl	702	745	811	1 005	1 005	1 065	1 129
	19 - 30 kl	702	1 200	1 316	1 631	1 631	1 729	1 833
	31 - 45 kl	1 755	1 860	2 026	2 512	2 512	2 663	2 822
	46 - 60 kl	1 755	1 860	2 632	3 263	3 263	3 459	3 665
	> 60 kl	2 369	2 518	3 509	4 351	4 351	4 612	4 889
<u>Waste water tariffs</u>								
	Basic charge per month	76	80	86	91	91	97	102
	Basic charge - vacant land	161	122	130	109	109	116	122
	Flat rate per kl	811	877	955	1 026	1 026	1 088	1 153
	Basic charge - pumps	51	54	58	61	61	65	69
	Service per pump	351	372	396	419	419	445	471
<u>Electricity tariffs</u>								
	Basic charge - monthly	152	158	193	204	204	216	229
	Basic charge - vacant land	152	158	193	204	204	216	229
	Flat rate - Lifeline	720	795	795	886	886	939	996
	Credit meter							
	0 - 350 kWh	720	861	861	959	959	1 017	1 078
	351 - 600 kWh	980	1 133	1 190	1 300	1 300	1 378	1 461
	> 600 kWh	1 140	1 328	1 435	1 567	1 567	1 681	1 761
	Prepaid meter							
	0 - 350 kWh	720	795	795	886	886	939	996
	351 - 600 kWh	980	1 068	1 121	1 225	1 225	1 299	1 376
	> 600 kWh	1 140	1 277	1 379	1 506	1 506	1 586	1 692



WC032 Overstrand - Supporting Table SA14 Household bills

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16 % Incr.	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Rand/cent										
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	141.26	151.25	156.00	179.40	179.40	179.40	7.0%	191.69	203.19	215.38
Electricity: Basic levy	151.75	157.89	192.98	204.56	204.56	204.56	6.0%	216.83	229.84	243.63
Electricity: Consumption	953.00	1 058.28	1 126.62	1 219.00	1 219.00	1 219.00	11.0%	1 357.86	1 439.43	1 525.79
Water: Basic levy	87.72	92.98	96.49	102.28	102.28	102.28	6.0%	108.42	114.93	121.82
Water: Consumption	168.48	224.44	272.86	290.10	290.10	290.10	6.0%	308.64	322.60	352.55
Sanitation	245.92	284.87	288.82	305.94	305.94	305.94	6.0%	325.08	344.50	365.27
Refuse removal	83.33	113.16	122.81	130.18	130.18	130.18	6.0%	137.99	146.27	155.05
Other										
sub-total	1 831.46	2 060.87	2 257.18	2 431.46	2 431.46	2 431.46	8.8%	2 646.81	2 810.84	2 979.50
VAT on Services	236.63	267.35	294.17	312.99	312.99	312.99		344.41	365.07	386.98
Total large household bill:	2 068.09	2 328.22	2 551.35	2 744.44	2 744.44	2 744.44	9.0%	2 991.02	3 175.92	3 366.47
% increase/decrease		12.6%	9.6%	7.8%	-	-		9.0%	6.2%	6.0%
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	97.80	104.70	108.00	124.20	124.20	124.20	7.0%	132.71	140.67	148.11
Electricity: Basic levy	151.75	157.89	192.98	204.56	204.56	204.56	6.0%	216.83	229.84	243.63
Electricity: Consumption	399.00	438.62	456.59	494.01	494.01	494.01	11.0%	550.31	583.33	618.33
Water: Basic levy	87.72	92.98	96.49	102.28	102.28	102.28	6.0%	108.42	114.93	121.82
Water: Consumption	133.38	184.44	207.86	220.35	220.35	220.35	7.0%	236.54	250.73	265.78
Sanitation	231.74	234.17	254.84	270.13	270.13	270.13	6.0%	287.01	304.23	322.48
Refuse removal	83.33	113.16	122.81	130.18	130.18	130.18	6.0%	137.99	146.27	155.05
Other										
sub-total	1 184.72	1 305.96	1 439.57	1 545.71	1 545.71	1 545.71	8.0%	1 669.81	1 770.06	1 876.20
VAT on Services	152.17	168.18	188.42	199.01	199.01	199.01		215.19	229.11	243.79
Total small household bill:	1 336.88	1 474.14	1 625.99	1 744.72	1 744.72	1 744.72	8.0%	1 885.00	1 999.10	2 117.99
% increase/decrease		10.3%	10.3%	7.3%	-	-		8.0%	6.0%	6.0%
Monthly Account for Household - 'Indigent' Household receiving free basic services										
Rates and services charges:										
Property rates	54.33	58.16	60.00	69.00	69.00	69.00	7.0%	73.73	78.15	82.54
Electricity: Basic levy	151.75	157.89	192.98	204.56	204.56	204.56	6.0%	216.83	229.84	243.63
Electricity: Consumption	252.00	278.39	286.75	310.24	310.24	310.24	11.0%	345.59	366.33	388.30
Water: Basic levy	87.72	92.98	96.49	102.28	102.28	102.28	6.0%	108.42	114.93	121.82
Water: Consumption	98.28	104.44	123.67	131.10	131.10	131.10	6.0%	139.02	149.64	158.82
Sanitation	204.15	203.48	221.07	234.33	234.33	234.33	6.0%	248.93	263.87	279.70
Refuse removal	83.33	113.16	122.81	130.18	130.18	130.18	6.0%	137.99	146.27	155.05
Other	(498.47)	(521.33)	(598.18)	(635.06)	(635.06)	(635.06)	7.0%	(678.64)	(717.24)	(790.27)
sub-total	463.09	487.17	505.61	546.63	546.63	546.63	8.6%	593.87	631.78	665.69
VAT on Services	57.23	60.08	64.96	69.60	69.60	69.60		73.12	77.51	82.16
Total small household bill:	520.32	547.23	570.57	616.23	616.23	616.23	8.2%	666.99	709.29	751.85
% increase/decrease		5.2%	4.3%	8.0%	-	-		8.2%	6.3%	6.0%



WC032 Overstrand - Supporting Table SA15 Investment particulars by type

Investment type	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Parent municipality									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank	75 000	55 042	50 039						
Deposits - Public Investment Commissioners									
Deposits - Corporation for Public Deposits									
Bankers Acceptance Certificates									
Negotiable Certificates of Deposit - Banks									
Guaranteed Endowment Policies (sinking)	5 691	11 537	16 965	22 207	22 207	22 207	28 455	34 384	40 409
Repurchase Agreements - Banks									
Municipal Bonds									
Consolidated total:	80 691	66 579	67 004	22 207	22 207	22 207	28 455	34 384	40 409



Investments by Maturity	Name of Institution & Investment ID	Period of Investment	Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed Interest rate	Interest Rate %	Commission Paid (Rands)	Commission Received	Expiry date of Investment	Opening balance		Partial / Premature Withdrawal	Investment Top-Up	Closing Balance	
										Interest to be realized					
Fixed Income		15 YEARS	POLICY	YES	VARIABLE	Fair Value Adjustment				01/06/2025	4,425	256	1,500	8,181	
LIBERTY PRIMA		14 YEARS	POLICY	YES	VARIABLE	Fair Value Adjustment				01/06/2025	9,389	29	3,120	12,538	
MOBENTUM 203776		15 YEARS	POLICY	YES	VARIABLE	Fair Value Adjustment				01/07/2026	1,151	(27)	360	1,488	
TOTAL INVESTMENTS AND INTEREST											16,965		-	4,980	22,297



WC032 Overstrand - Supporting Table SA17 Borrowing

Borrowing - Categorized by type	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Parent municipality									
Long-Term Loans (annuity/reducing balance)	250 581	274 364	292 444	307 225	307 225	307 225	311 867	312 288	309 090
Long-Term Loans (non-annuity)	90 000	90 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000
Local registered stock									
Instalment Credit				4 541	5 520	5 520	4 333	2 981	1 443
Financial Leases	623	238			84	84	-	-	-
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Other Securities									
Total Borrowing	341 204	364 632	392 444	411 766	412 829	412 829	415 999	415 269	410 503
Unspent Borrowing - Categorized by type									
Parent municipality									
Long-Term Loans (annuity/reducing balance)	18 255	6 133	1 847						
Long-Term Loans (non-annuity)									
Local registered stock									
Instalment Credit									
Financial Leases									
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Other Securities									
Municipality sub-total	18 255	6 133	1 847	-	-	-	-	-	-
Total Unspent Borrowing	18 255	6 133	1 847	-	-	-	-	-	-



WC032 Overstrand - Supporting Table SA18 Transfers and grant receipts

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
RECEIPTS:									
Operating Transfers and Grants									
National Government:	33 973	38 956	45 033	54 673	56 511	56 511	67 709	74 702	82 187
Local Government Equitable Share	31 156	36 146	41 949	52 021	52 021	52 021	64 598	72 270	79 804
Finance Management	1 250	698	1 300	884	1 450	1 450	1 450	1 475	1 550
Municipal Systems Improvement	790	790	540	-	-	-	-	957	1 033
EPWP Incentive	777	1 332	1 244	1 768	1 768	1 768	1 561	-	-
Municipal Disaster Recovery Grant	-	-	-	1 272	1 272	1 272	-	-	-
Other transfers/grants (insert description)	-	-	-	-	-	-	-	-	-
Provincial Government:	10 697	2 703	23 332	3 734	4 174	4 174	22 615	33 184	14 986
Housing	9 914	1 659	18 669	183	91	91	17 141	27 480	8 878
Emergency Housing Programme (EHP)	-	-	-	220	220	220	-	-	-
Provincial Library Grant	640	691	795	3 182	3 182	3 182	5 288	5 557	5 890
Financial Management Support Grant	-	-	800	-	514	514	-	-	-
Community Development Worker Grant	78	70	49	52	70	70	72	76	80
Main Road Subsidy	65	65	2 651	97	97	97	114	-	-
Sport & Recreation Grant	-	-	-	-	-	-	-	-	-
Nelson Mandela commemoration Grant	-	-	100	-	-	-	-	-	-
Greenest Municipality	-	-	50	-	-	-	-	-	-
Thusong Service centre grant	-	218	218	-	-	-	-	71	140
District Municipality:	-	-	-	-	-	-	-	-	-
(insert description)	-	-	-	-	-	-	-	-	-
Other grant providers:	270	652	586	-	185	185	-	-	-
ACIP	-	-	-	-	-	-	-	-	-
Prov Govt. Nelson Mandela Commemoration	-	-	27	-	-	-	-	-	-
Prov Govt. ICT Projects for Libraries	-	-	240	-	-	-	-	-	-
Table Mountain Fund	-	-	-	-	-	-	-	-	-
Public Contr. KCH	-	22	-	-	-	-	-	-	-
Samras Usergroup	-	-	-	-	-	-	-	-	-
Friedrich Naumann Foundation	-	-	319	-	185	185	-	-	-
Spaces 4 Sport	270	630	-	-	-	-	-	-	-
Total Operating Transfers and Grants	44 940	42 311	68 951	58 407	60 870	60 870	90 324	107 886	97 173
Capital Transfers and Grants									
National Government:	54 183	36 911	26 068	24 174	23 608	23 608	30 347	26 126	29 187
Municipal Infrastructure Grant (MIG)	13 971	16 947	18 735	20 674	20 674	20 674	21 417	22 126	23 187
Public Transport and Systems	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure	36 212	15 174	-	-	-	-	-	-	-
Neighbourhood Development Partnership	2 000	2 418	3 963	-	-	-	-	-	-
Finance Management	-	552	-	566	-	-	930	-	-
Municipal Systems Improvement	-	20	350	934	934	934	-	-	-
INEP	2 000	1 800	3 000	2 000	2 000	2 000	8 000	4 000	6 000
Provincial Government:	-	20 217	8 819	10 060	30 516	30 516	33 007	34 750	44 374
Housing	-	18 693	7 727	7 810	28 366	28 366	29 973	34 750	44 374
Sport & Recreation Grant	-	-	100	100	-	-	-	-	-
Provincial Library Grant	-	13	10	2 150	2 150	2 150	3 034	-	-
Provincial Transport Infrastructure Grant	-	1 500	982	-	-	-	-	-	-
Community Development Worker Grant	-	11	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
(insert description)	-	-	-	-	-	-	-	-	-
Other grant providers:	500	-	-	2 134	2 051	2 051	1 000	-	-
DWA ACIP	-	-	-	1 000	1 000	1 000	-	-	-
Spaces 4 Sport	-	-	-	51	51	51	-	-	-
Eskom Rebate/National Lotto	500	-	-	1 083	1 000	1 000	1 000	-	-
Total Capital Transfers and Grants	54 683	57 128	34 887	36 368	56 175	56 175	64 354	60 876	73 561
TOTAL RECEIPTS OF TRANSFERS & GRANTS	99 623	99 439	103 838	94 775	117 045	117 045	154 678	168 762	170 734



WC032 Overstrand - Supporting Table SA19 Expenditure on transfers and grant programme

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	33 973	38 956	45 033	54 673	3 218	3 218	67 709	74 702	82 187
Local Government Equitable Share	31 156	36 148	41 949	52 021	-	-	64 598	72 270	79 604
Finance Management	1 250	698	1 300	884	1 450	1 450	1 450	1 475	1 550
Municipal Systems Improvement	790	780	540	-	-	-	-	957	1 033
EPWP Incentive	777	1 332	1 244	1 758	1 768	1 768	1 861	-	-
Municipal Disaster Recovery Grant	-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]	-	-	-	-	-	-	-	-	-
Provincial Government:	4 032	2 724	22 802	3 734	4 778	4 778	22 615	33 184	14 986
Housing	3 186	1 659	18 688	183	412	412	17 141	27 480	8 876
Community Development Worker Grant	78	70	49	52	70	70	72	76	80
Main Road Subsidy	65	65	2 651	97	97	97	114	-	-
Sport & Recreation Grant	-	-	-	-	-	-	-	-	-
Provincial Library Grant	640	691	795	3 182	3 182	3 182	5 288	5 557	5 890
Emergency Housing Programme (EHP)	-	-	-	220	220	220	-	-	-
Financial Management Support Grant	-	-	155	-	759	759	-	-	-
Nelson Mandela commemoration Grant	-	-	100	-	-	-	-	-	-
Greenest Municipality	-	-	12	-	38	38	-	-	-
HCE	83	19	47	-	-	-	-	-	-
Mobility Strategy	-	2	106	-	-	-	-	-	-
Tutong Service Centre Grant	-	218	218	-	-	-	-	71	140
District Municipality: [insert description]	-	-	-	-	-	-	-	-	-
Other grant providers:	156	222	884	-	-	-	-	-	-
Spaces 4 Sport/Friedrich Naumann Foundation	156	200	627	-	-	-	-	-	-
ICT Projects for Libraries/Samras Usergroup	-	22	257	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:	38 161	41 902	68 730	58 407	7 996	7 996	90 324	107 886	97 173
Capital expenditure of Transfers and Grants									
National Government:	54 183	36 911	25 094	24 174	24 174	24 174	30 347	26 126	29 187
Municipal Infrastructure Grant (MIG)	13 971	18 947	18 755	20 674	20 674	20 674	21 417	22 126	23 187
Public Transport and Systems	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure	38 212	15 174	-	-	-	-	-	-	-
Municipal Systems Improvement	-	20	350	934	934	934	930	-	-
INEP	2 000	1 800	2 026	2 000	2 000	2 000	8 000	4 000	5 000
Finance Management	-	552	-	566	566	566	-	-	-
Neighbourhood Development Partnership	2 000	2 418	3 963	-	-	-	-	-	-
Provincial Government:	650	16 898	12 996	10 060	31 990	31 990	33 007	34 750	44 374
Housing	-	16 651	10 404	7 810	29 740	29 740	29 973	34 750	44 374
Sport & Recreation Grant	-	-	100	100	100	100	-	-	-
Public transport non-motorised infrastructure grant	-	-	2 482	-	-	-	-	-	-
Provincial Library Grant	-	13	10	2 150	2 150	2 150	3 034	-	-
Mobility strategy (pound)/ CDW	650	234	-	-	-	-	-	-	-
District Municipality: [insert description]	-	-	-	-	-	-	-	-	-
Other grant providers:	-	500	-	2 134	2 051	2 051	1 000	-	-
DWA ACIP	-	-	-	1 000	1 000	1 000	-	-	-
Spaces 4 Sport	-	-	-	51	51	51	-	-	-
National Lotto	-	500	-	1 083	1 000	1 000	1 000	-	-
Total capital expenditure of Transfers and Grants	54 833	54 309	38 090	36 368	58 215	58 215	64 354	60 876	73 561
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	92 993	96 211	106 820	94 775	66 211	66 211	154 678	168 762	170 734



WC032 Overstrand - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Operating transfers and grants:									
National Government:									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	33 973	38 956	45 033	54 873	56 511	56 511	67 709	74 702	82 187
Conditions met - transferred to revenue	33 973	38 956	45 033	54 873	56 511	56 511	67 709	74 702	82 187
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Provincial Government:									
Balance unspent at beginning of the year	129	174	153	-	683	683	-	-	-
Current year receipts	10 697	2 703	23 332	3 734	4 174	4 174	22 615	33 184	14 386
Transfer to creditor/debtor	(3 310)	-	-	-	(79)	(79)	-	-	-
Conditions met - transferred to revenue	4 032	2 734	22 602	3 734	4 778	4 778	22 615	33 184	14 386
Conditions still to be met - transferred to liabilities	3 485	153	683	-	-	-	-	-	-
District Municipality:									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Other grant providers:									
Balance unspent at beginning of the year	125	240	669	-	361	361	-	-	-
Current year receipts	270	652	586	-	185	185	-	-	-
Conditions met - transferred to revenue	156	222	894	-	546	546	-	-	-
Conditions still to be met - transferred to liabilities	240	669	361	-	-	-	-	-	-
Total operating transfers and grants revenue	38 161	41 902	68 730	58 407	61 835	61 835	90 324	107 886	97 173
Total operating transfers and grants - CTBM	3 725	822	1 044	-	-	-	-	-	-
Capital transfers and grants:									
National Government:									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	54 183	36 911	26 068	24 174	23 608	23 608	30 347	26 126	29 187
Transfer to creditor/debtor	-	-	(974)	-	-	-	-	-	-
Conditions met - transferred to revenue	54 183	36 911	25 094	24 174	23 608	23 608	30 347	26 126	29 187
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Provincial Government:									
Balance unspent at beginning of the year	981	3 642	6 961	-	2 382	2 382	-	-	-
Current year receipts	-	20 217	8 819	10 090	30 518	30 518	33 007	34 750	44 374
Transfer to creditor/debtor	-	-	(402)	-	(8)	(8)	-	-	-
Conditions met - transferred to revenue	650	16 898	12 996	10 090	32 890	32 890	33 007	34 750	44 374
Conditions still to be met - transferred to liabilities	331	6 961	2 382	-	-	-	-	-	-
District Municipality:									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Other grant providers:									
Balance unspent at beginning of the year	-	500	-	-	-	-	-	-	-
Current year receipts	500	-	-	2 134	2 051	2 051	1 000	-	-
Conditions met - transferred to revenue	-	500	-	2 134	2 051	2 051	1 000	-	-
Conditions still to be met - transferred to liabilities	500	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue	54 833	54 309	38 090	36 368	58 549	58 549	64 354	60 876	73 561
Total capital transfers and grants - CTBM	831	6 961	2 382	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE	92 993	96 211	106 820	94 775	120 384	120 384	154 678	168 762	170 734
TOTAL TRANSFERS AND GRANTS - CTBM	4 555	7 783	3 425	-	-	-	-	-	-



WC032 Overstrand - Supporting Table SA21 Transfers and grants made by the municipality

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
<u>Cash Transfers to other municipalities</u> Insert description									
Total Cash Transfers To Municipalities:	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Entities/Other External Mechanisms</u> Insert description									
Total Cash Transfers To Entities/Em's	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to other Organs of State</u> Insert description									
Total Cash Transfers To Other Organs Of State:	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Organisations</u>									
Grant-in-aid	370	398	451	-	-	-	278	295	313
Badica				30	30	30			
Overstrand Association for People with Disabilities				8	8	8			
Ikame				10	10	10			
Overstrand Conservation Foundation				25	25	25			
Hermanus Botanical Society				20	20	20			
Kleinmond Child Welfare				15	15	15			
Overstrand Hospice				28	28	28			
Hangklip Community Care Centre				15	15	15			
Recycle Swap Shop				10	10	10			
Siyazama Service Centre for the Aged				20	20	20			
Overberg Wheelchair Association				20	20	20			
Overstrand Arts				20	20	20			
National Sea Rescue Institute				47	47	47			
S.H.A.R.E.				10	10	10			
Tourism Buro's							1 649	1 747	1 852
Total Cash Transfers To Organisations	370	398	451	278	278	278	1 927	2 043	2 165
<u>Cash Transfers to Groups of Individuals</u> Low income house-hold subsidies	28 084	35 458	38 298	41 092	41 390	41 390	46 570	52 624	60 079
Total Cash Transfers To Groups Of Individuals:	28 084	35 458	38 298	41 092	41 390	41 390	46 570	52 624	60 079
TOTAL CASH TRANSFERS AND GRANTS	28 454	35 856	38 749	41 370	41 668	41 668	48 497	54 667	62 244
<u>Non-Cash Transfers to other municipalities</u> Insert description									
Total Non-Cash Transfers To Municipalities:	-	-	-	-	-	-	-	-	-
<u>Non-Cash Transfers to Entities/Other External Mechanisms</u> Insert description									
Total Non-Cash Transfers To Entities/Em's	-	-	-	-	-	-	-	-	-
<u>Non-Cash Transfers to other Organs of State</u> Insert description									
Total Non-Cash Transfers To Other Organs Of State:	-	-	-	-	-	-	-	-	-
<u>Non-Cash Grants to Organisations</u> Insert description									
Total Non-Cash Grants To Organisations	-	-	-	-	-	-	-	-	-
<u>Groups of Individuals</u> Insert description									
Total Non-Cash Grants To Groups Of Individuals:	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	28 454	35 856	38 749	41 370	41 668	41 668	48 497	54 667	62 244



WC032 Overstrand - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	6 717	7 084	7 415	7 968	7 911	7 911	8 037	8 527	9 047
Pension and UIF Contributions					-	-			
Medical Aid Contributions					-	-			
Motor Vehicle Allowance					-	-			
Cellphone Allowance			518	548	605	605	638	665	694
Housing Allowances					-	-			
Other benefits and allowances					-	-			
Sub Total - Councillors	6 717	7 084	7 933	8 516	8 516	8 516	8 674	9 192	9 741
Senior Managers of the Municipality									
Basic Salaries and Wages	7 082	8 100	8 566	9 190	9 190	9 190	9 735	10 311	10 938
Pension and UIF Contributions					-	-			
Medical Aid Contributions					-	-			
Overtime					-	-			
Performance Bonus					-	-			
Motor Vehicle Allowance					-	-			
Cellphone Allowance	128	139	139	163	163	163	154	163	172
Housing Allowances					-	-			
Other benefits and allowances		3			-	-			
Payments in lieu of leave		82			-	-			
Long service awards					-	-			
Post-retirement benefit obligations					-	-			
Sub Total - Senior Managers of Municipality	7 210	8 324	8 706	9 354	9 354	9 354	9 889	10 473	11 110
Other Municipal Staff									
Basic Salaries and Wages	126 414	143 857	158 389	175 220	170 729	170 729	189 457	198 284	210 347
Pension and UIF Contributions	21 014	24 051	25 104	29 321	29 321	29 321	31 735	33 872	35 725
Medical Aid Contributions	7 354	8 176	8 628	11 463	11 463	11 463	11 818	12 327	13 079
Overtime	12 030	12 428	14 370	13 913	13 913	13 913	15 046	15 963	16 937
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	8 240	9 178	9 750	11 760	11 760	11 760	11 314	11 025	11 174
Cellphone Allowance	725	1 785	1 402	1 474	1 474	1 474	1 348	1 434	1 434
Housing Allowances	1 023	1 048	967	1 018	1 018	1 018	1 002	1 008	1 008
Other benefits and allowances	10 461	9 254	10 083	11 118	11 118	11 118	10 621	10 965	11 233
Provision for Accrued Leave		2 056	1 659	2 350	2 350	2 350	729	773	819
Provision for Long service awards		690	3 587	1 200	1 291	1 291	1 802	2 028	2 815
Provision for Bonus		-	-	500	500	500	455	482	511
Post-retirement benefit obligations	13 467	10 795	17 795	11 675	11 925	11 925	9 578	9 973	7 391
Sub Total - Other Municipal Staff	200 729	223 317	251 939	270 713	266 863	266 863	281 705	294 934	312 473
Total Parent Municipality	214 656	238 728	268 577	288 582	284 732	284 732	300 268	314 600	333 324
TOTAL MANAGERS AND STAFF	207 939	231 642	260 645	280 066	276 217	276 217	291 593	305 408	323 583



WC032 Overstrand - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Councillors						
Speaker		609 285		25 512		634 797
Chief Whip						-
Executive Mayor		761 605		25 512		787 117
Deputy Executive Mayor		609 285		25 512		634 797
Executive Committee		1 713 615		76 536		1 790 151
Total for all other councillors		4 342 886		484 728		4 827 614
Total Councillors	-	8 036 676	-	637 800		8 674 476
Senior Managers of the Municipality						
Municipal Manager (MM)		1 766 175		22 872		1 791 047
Chief Finance Officer		1 613 208		19 872		1 633 080
Management Services		1 212 924		22 872		1 235 796
Community Services		1 345 353		22 872		1 368 225
Infrastructure & Planning		1 624 404		22 872		1 647 276
LED		1 100 164		19 872		1 120 036
<i>List of each official with packages >= senior manager</i>						
Protection Services		1 070 390		22 872		1 093 262
Total Senior Managers of the Municipality	-	9 734 618	-	154 104	-	9 888 722
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	-	17 771 294	-	791 904	-	18 563 198



WC032 Overstrand • Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	2013/14			Current Year 2014/15			Budget Year 2015/16		
	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities									
Councillors (Political Office Bearers plus Other Councillors)	25	7		25	7		25	7	
Board Members of municipal entities									
Municipal employees									
Municipal Manager and Senior Managers	7	7		7	7		7	7	-
Other Managers	57	49		57	49		61	54	-
Professionals	53	52	-	54	52	-	54	40	-
Finance	22	21		22	21		23	15	-
Spatial/town planning	8	8		9	8		8	7	
Information Technology									
Roads	8	8		8	8		8	8	-
Electricity	5	5		5	5		5	1	-
Water	4	4		4	4		4	3	-
Sanitation	3	3		3	3		3	3	-
Refuse	3	3		3	3		3	3	-
Other									
Technicians	213	203	-	213	203	-	215	194	-
Finance									
Spatial/town planning	6	6		6	6		6	5	-
Information Technology	3	3		3	3		4	3	-
Roads	3	2		3	2		3	3	-
Electricity	22	18		22	18		22	15	-
Water	4	2		4	2		5	4	-
Sanitation	6	4		6	4		6	5	-
Refuse	3	3		3	3		3	3	-
Other	166	165		166	165		166	166	-
Clerks (Clerical and administrative)	189	177		189	177		188	162	-
Service and sales workers	54	51		54	51		114	106	-
Skilled agricultural and fishery workers									
Craft and related trades									
Plant and Machine Operators	42	23		42	23		45	40	-
Elementary Occupations	487	474		487	474		492	477	-
TOTAL PERSONNEL NUMBERS	1 127	1 043	-	1 128	1 043	-	1 199	1 087	-
% increase				0.1%	-	-	6.3%	4.2%	-
Total municipal employees headcount	1 102	1 036		1 102	1 036		1 174	1 080	
Finance personnel headcount	126	116		126	11		111	116	
Human Resources personnel headcount	19	18		19	18		18	18	



WC032 Overstrand - Supporting Table SA25 Budgeted monthly revenue and expenditure

R thousand	Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
	Revenue By Source															
	Property rates	15 127	12 905	12 889	12 995	12 856	12 999	12 945	13 047	12 958	13 174	12 904	17 889	162 730	173 308	184 573
	Property rates - penalties & collection charges	69	64	79	67	68	66	66	67	66	65	62	132	891	980	1 078
	Service charges - electricity revenue	33 517	32 583	30 465	27 574	26 524	26 403	23 222	20 417	26 941	28 802	29 980	338 877	338 877	371 635	407 747
	Service charges - water revenue	7 011	5 878	7 016	7 037	7 038	7 038	10 198	12 449	9 788	9 144	7 133	7 588	102 945	107 700	113 691
	Service charges - sanitation revenue	4 635	4 571	4 977	4 821	5 507	5 568	7 389	9 789	6 166	5 305	5 270	6 226	66 375	70 081	74 010
	Service charges - refuse revenue	5 026	4 939	4 996	5 019	5 032	5 020	4 791	4 978	4 982	4 992	4 955	4 748	59 488	63 961	68 849
	Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rental of facilities and equipment	993	736	662	765	1 565	1 593	993	705	980	511	412	2 152	11 859	12 953	14 176
	Interest earned - external investments	578	536	594	627	598	603	480	556	438	558	823	156	5 348	6 348	6 316
	Interest earned - outstanding debtors	206	227	209	210	189	200	203	210	203	204	200	177	2 437	2 680	2 948
	Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Fines	514	445	607	518	428	959	643	1 022	656	901	626	24 544	31 859	32 766	33 763
	Licences and permits	182	201	141	142	142	142	213	201	162	192	200	234	2 190	2 408	2 649
	Agency services	208	196	170	246	253	217	274	207	233	238	239	376	2 970	3 267	3 594
	Transfers recognised - operational	22 003	188	402	154	469	29 304	578	3 153	14 309	13 542	1 427	3 684	90 324	107 886	97 173
	Other revenue	440	1 192	1 394	1 510	1 678	1 833	1 440	1 237	1 567	1 678	1 432	880	16 643	18 150	19 812
	Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Revenue (excluding capital transfers and contributions)	91 459	64 680	64 601	61 709	64 161	95 308	65 887	61 987	79 277	79 306	85 384	101 477	895 035	973 222	1 028 409
	Expenditure By Type															
	Employees related costs	19 882	20 717	21 109	20 529	32 182	31 168	24 611	25 583	22 955	26 850	21 292	24 516	291 593	306 408	323 583
	Remuneration of councillors	772	722	722	722	722	722	722	722	722	722	722	720	8 674	9 192	9 741
	Depreciation & asset impairment	10 128	10 128	10 128	10 128	10 128	10 128	10 054	10 054	10 119	10 119	10 119	130	22 792	22 792	22 792
	Finance charges	149	149	149	149	149	149	149	149	149	149	149	149	149	149	149
	Blank purchases	3 175	24 350	24 722	10 597	12 885	21 139	16 165	14 933	17 768	8 569	15 842	8 993	46 865	46 780	47 279
	Other materials	2 101	3 026	4 536	5 035	4 985	6 376	4 334	4 334	3 857	4 276	6 050	8 793	53 593	59 631	63 553
	Contracted services	981	6 265	3 716	6 644	5 451	6 076	5 709	8 076	9 559	21 376	12 831	40 034	125 322	138 422	135 442
	Transfers and grants	3 371	3 960	3 941	3 529	3 745	4 148	1 560	1 560	3 276	3 259	3 286	12 020	48 497	54 697	62 244
	Other expenditure	2 044	4 311	4 621	5 277	6 177	5 105	9 365	4 887	3 263	4 886	3 926	4 170	58 021	61 721	65 806
	Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Expenditure	42 443	71 499	73 496	68 034	78 274	93 439	72 451	70 551	71 646	101 336	73 877	146 593	964 329	1 037 491	1 098 292
	Surplus/(Deficit)	48 516	(8 819)	(8 895)	(6 325)	(12 114)	1 869	(6 764)	(8 563)	7 632	(22 030)	(8 490)	(45 500)	(69 494)	(64 271)	(69 881)
	Transfers recognised - capital	2 090	2 024	1 534	3 010	4 634	7 266	3 555	2 505	4 359	7 412	5 313	1 000	63 364	60 876	73 551
	Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-	-	-	1 000	-	-
	Contributions recognised - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Surplus/(Deficit) after capital transfers & contributions	51 406	(6 795)	(7 361)	(3 315)	(7 480)	9 136	(3 210)	(8 059)	12 031	(14 618)	(3 181)	(25 694)	(5 140)	(3 393)	3 679
	Tagline															
	Appropriate authorities															
	Share of surplus/(deficit) of associate															
	Surplus/(Deficit)	51 406	(6 795)	(7 361)	(3 315)	(7 480)	9 136	(3 210)	(8 059)	12 031	(14 618)	(3 181)	(25 694)	(5 140)	(3 393)	3 679

Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue by Vote															
Vote 1 - Council	22 355	34	28	493	55	19 038	34	31	16 545	6 117	36	41	64 808	72 470	79 794
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	62	25	4	114	35	5	61	21	19	60	32	553	991	1 018	1 094
Vote 4 - Finance	19 076	16 654	16 619	16 766	16 135	16 456	16 509	7 810	13 489	13 960	14 022	12 722	180 339	191 921	204 338
Vote 5 - Community Services	17 193	23 302	18 451	17 090	7 592	23 856	22 821	21 132	23 031	27 834	24 744	45 911	272 657	284 007	300 538
Vote 6 - Local Economic Development	25	303	227	355	35	546	125	62	83	521	260	514	3 051	1 573	1 730
Vote 7 - Infrastructure & Planning	31 871	23 775	28 663	25 860	39 016	34 600	24 854	31 474	24 930	29 341	25 604	60 048	399 527	443 945	473 675
Vote 8 - Protection Services	879	758	609	1 003	952	806	1 281	1 451	1 181	1 453	1 225	25 040	37 676	39 164	40 802
Total Revenue by Vote	91 459	64 880	64 601	61 709	64 181	92 308	65 637	61 987	79 277	79 308	65 384	162 831	929 389	1 034 068	1 101 971
Expenditure by Vote to be appropriated															
Vote 1 - Council	4 837	4 558	4 524	5 211	6 980	6 642	4 970	3 456	5 108	5 997	4 464	14 850	71 456	76 840	87 821
Vote 2 - Municipal Manager	274	143	264	504	357	564	449	429	316	449	383	317	4 489	3 643	3 855
Vote 3 - Management Services	4 416	4 613	4 778	2 458	3 095	4 931	2 611	3 496	4 467	656	2 986	4 621	43 327	45 629	48 384
Vote 4 - Finance	2 592	3 657	10 100	10 038	8 168	8 271	6 188	4 929	2 350	3 679	3 497	5 479	69 750	71 154	75 197
Vote 5 - Community Services	10 130	27 005	21 285	25 954	32 279	46 063	34 431	33 447	21 856	42 037	32 495	14 869	341 452	371 463	392 545
Vote 6 - Local Economic Development	306	638	458	402	519	415	549	529	1 383	611	892	1 968	8 731	7 464	7 931
Vote 7 - Infrastructure & Planning	18 078	29 032	28 346	19 820	21 015	23 492	18 878	20 238	32 393	42 756	25 711	75 545	355 933	387 020	407 279
Vote 8 - Protection Services	2 310	3 053	3 281	3 647	4 161	3 041	4 375	3 827	3 782	5 153	3 450	29 373	69 653	72 280	75 270
Total Expenditure by Vote	42 943	73 889	73 456	68 034	76 274	93 439	72 453	70 551	71 646	101 336	73 877	146 983	984 529	1 037 463	1 098 262
Surplus/(Deficit) before assoc.	48 516	(8 919)	(8 855)	(6 325)	(12 114)	1 869	(6 764)	(8 563)	7 632	(22 030)	(8 493)	18 847	(5 140)	(3 395)	3 679
Taxation															
Attributable to minorities															
Share of surplus/(deficit) of associate															
Surplus/(Deficit)	48 516	(8 919)	(8 855)	(6 325)	(12 114)	1 869	(6 764)	(8 563)	7 632	(22 030)	(8 493)	18 847	(5 140)	(3 395)	3 679



WC032 Overstrand - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

R thousand	Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue - Standard																
	Governance and administration	42 002	16 842	17 078	18 356	17 434	20 373	17 412	8 403	27 833	21 084	14 673	25 520	255 994	272 264	292 533
	Executive and council	22 335	38	31	69	55	12 124	16 259	74	13 902	6 113	37	9 306	64 861	72 528	79 858
	Budget and treasury office	19 076	16 454	16 619	16 766	16 435	16 456	16 259	7 810	13 469	13 960	14 022	12 722	180 339	191 921	204 338
	Corporate services	593	349	429	498	943	476	3 426	319	442	974	614	3 462	10 795	7 816	8 338
	Community and public safety	9 099	2 357	1 731	4 086	2 692	4 786	3 426	9 633	9 633	9 443	10 594	35 301	107 843	124 937	118 869
	Community and social services	432	425	337	558	321	253	268	135	604	379	781	274	4 657	9 004	9 508
	Sport and recreation	314	354	340	425	953	359	663	1 048	414	607	577	5 296	11 942	14 042	14 766
	Public safety	879	758	698	1 051	962	806	1 281	1 451	1 181	1 453	1 225	26 040	37 676	29 164	40 802
	Housing	7 474	720	444	2 512	417	2 158	1 713	6 139	7 385	6 804	8 010	3 690	47 567	62 726	53 793
	Economic and environmental services	225	1 179	1 039	1 037	301	1 687	583	1 376	818	1 022	1 797	7 748	20 033	10 931	13 254
	Planning and development	252	703	580	606	267	1 296	398	308	518	725	494	2 725	9 043	8 120	8 932
	Road transport	12	469	492	792	27	367	173	1 043	300	686	1 303	5 024	10 890	2 700	4 200
	Environmental protection	11	7	1	7	7	24	12	25	0	0	0	0	101	110	121
	Trading services	40 003	44 402	44 753	37 456	42 732	59 452	44 355	42 435	40 993	47 373	38 320	97 261	581 518	625 946	677 315
	Electricity	23 610	26 578	27 135	16 397	18 978	34 379	20 352	30 999	21 513	28 259	20 958	77 876	340 361	375 037	413 102
	Water	7 326	8 991	9 004	10 148	13 759	12 643	12 841	1 179	8 881	8 465	7 336	7 039	106 211	113 026	120 078
	Waste water management	4 721	4 932	5 254	6 323	8 418	7 959	6 905	7 817	6 259	6 340	5 662	776	69 402	74 765	77 229
	Waste management	4 388	4 300	4 390	4 383	4 578	4 435	4 167	4 339	4 340	4 360	4 324	11 571	59 544	63 118	66 005
	Other	91 459	64 680	64 601	61 709	64 161	95 308	65 887	61 987	79 277	79 306	65 384	165 831	559 359	1 034 098	1 101 971
	Total Revenue - Standard															
	Expenditure - Standard															
	Governance and administration	9 308	21 846	19 275	21 739	21 504	26 480	14 258	14 258	12 648	13 679	16 018	44 409	237 278	248 313	267 049
	Executive and council	5 933	6 254	6 370	6 566	8 789	15 206	6 023	4 773	7 260	8 003	6 684	9 985	90 555	98 337	108 547
	Budget and treasury office	2 592	3 857	10 100	10 038	8 789	3 271	6 188	4 929	2 350	3 079	3 497	5 479	69 750	71 154	75 197
	Corporate services	801	11 736	7 695	4 616	6 452	3 203	1 446	4 084	3 018	1 397	5 837	28 995	74 953	78 822	83 305
	Community and public safety	5 765	7 285	7 355	8 468	49 154	7 423	8 009	11 321	7 821	35 076	7 508	25 323	141 933	158 237	146 267
	Community and social services	2 017	2 399	2 330	2 550	3 352	2 417	1 269	5 172	2 190	2 620	2 330	2 569	31 368	33 034	35 198
	Sport and recreation	1 140	1 412	1 416	1 553	1 764	1 972	2 062	1 626	1 479	1 671	1 334	791	18 220	19 390	20 520
	Public safety	2 110	3 053	3 281	3 847	4 161	3 041	4 375	3 827	3 762	5 153	3 450	29 373	69 453	72 280	75 270
	Housing	758	509	328	657	678	397	383	695	370	25 033	394	(7 431)	22 862	33 533	15 249
	Economic and environmental services	6 909	8 171	9 260	10 158	10 933	12 270	11 027	11 033	15 997	14 282	14 668	5 339	132 046	137 946	145 918
	Planning and development	1 717	2 353	3 314	2 772	4 274	3 017	2 382	3 015	9 423	3 330	3 151	1 381	40 208	40 867	43 382
	Road transport	4 855	5 287	5 579	7 050	5 951	6 781	8 273	7 549	6 082	12 570	10 919	1 962	84 786	89 863	94 906
	Environmental protection	287	330	367	336	709	492	453	469	492	382	588	1 996	6 952	7 217	7 651
	Trading services	20 944	36 117	37 607	28 300	31 883	46 661	39 157	33 800	35 180	38 299	35 664	71 862	453 273	402 997	539 038
	Electricity	12 108	25 285	26 526	14 622	17 865	29 099	26 003	22 534	19 075	20 917	18 719	21 664	257 278	287 386	322 080
	Water	3 976	4 723	4 821	6 111	5 807	7 970	5 566	5 199	10 257	7 781	10 104	5 340	78 253	81 294	85 130
	Waste water management	3 465	4 034	4 043	4 604	5 046	6 653	2 932	4 063	3 603	4 731	4 489	15 874	63 478	67 214	71 597
	Waste management	1 114	2 074	2 217	2 124	2 955	2 339	2 656	2 004	2 244	2 870	2 313	28 984	54 264	57 103	60 745
	Other	42 943	73 499	73 496	68 034	76 274	93 439	72 451	70 351	71 646	101 336	73 877	148 983	984 529	1 037 493	1 098 252
	Total Expenditure - Standard															
	Surplus/(Deficit) before assoc.	48 516	(8 819)	(8 895)	(6 325)	(12 114)	1 869	(6 764)	(8 363)	7 632	(22 039)	(8 493)	18 847	(5 140)	(3 395)	3 079
	Share of surplus/(deficit) of associate															
	Surplus/(Deficit)	48 516	(8 819)	(8 895)	(6 325)	(12 114)	1 869	(6 764)	(8 363)	7 632	(22 039)	(8 493)	18 847	(5 140)	(3 395)	3 079

Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand															
Multi-year expenditure to be appropriated															
Vote 1 - Council													-	-	-
Vote 2 - Municipal Manager													-	-	-
Vote 3 - Management Services													-	-	-
Vote 4 - Finance													-	-	-
Vote 5 - Community Services													-	-	-
Vote 6 - Local Economic Development													-	-	-
Vote 7 - Infrastructure & Planning													-	-	-
Vote 8 - Protection Services													-	-	-
Capital multi-year expenditure sub-total															
	-	366	400	5 261	4 671	5 260	526	2 521	2 271	1 521	1 521	9 045	33 362	7 500	7 000
Single-year expenditure to be appropriated															
Vote 1 - Council													-	-	-
Vote 2 - Municipal Manager													-	-	-
Vote 3 - Management Services													-	-	-
Vote 4 - Finance													-	-	-
Vote 5 - Community Services													-	-	-
Vote 6 - Local Economic Development													-	-	-
Vote 7 - Infrastructure & Planning													-	-	-
Vote 8 - Protection Services													-	-	-
Capital single-year expenditure sub-total															
	100	353	2 054	4 453	5 260	3 671	479	4 630	7 400	7 065	9 527	25 560	70 552	87 106	96 561
Total Capital Expenditure	100	719	2 454	9 714	9 931	8 931	1 005	7 151	9 671	8 585	11 048	34 604	103 914	94 006	103 561



R thousand	Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital Expenditure - Standard	Governance and administration	-	126	267	40	-	40	28	77	20	429	1 444	177	2 648	3 730	-
	Executive and council															
	Budget and treasury office															
	Corporate services		126	267	40		40	28	77	20	429	1 444	177	2 648	3 730	-
	Community and public safety	-	451	580	2 733	2 871	2 731	36	2 533	2 353	1 663	1 701	22 105	39 768	45 550	55 174
	Community and social services		301	430	580	648	500	36	430	60	110	138	287	3 520	4 000	4 000
	Sport and recreation		150	150	650	720	728	-	600	800	50	50	10	2 123	5 981	6 800
	Public safety															
	Housing				1 503	1 503	1 503	-	1 503	1 503	1 503	1 503	19 451	29 973	34 750	44 374
	Health															
	Economic and environmental services	100	-	900	1 430	1 537	1 500	371	780	1 243	1 653	1 657	918	12 128	4 000	4 000
	Planning and development									5			15	5	25	
	Road transport	100	-	500	1 430	1 537	1 500	371	780	1 238	1 653	1 653	913	12 103	4 000	4 000
	Environmental protection															
	Trading services	-	142	707	5 511	5 523	4 660	570	3 761	6 045	5 541	6 206	10 704	49 370	41 326	44 387
	Electricity			500	510	1 321	410	420	931	2 851	2 811	2 821	9 122	21 726	14 000	16 000
	Water		142	207	4 400	3 252	3 600	50	1 430	1 194	800	1 250	64	16 390	14 726	15 797
	Waste water management															
	Waste management				600	950	650	100	1 400	2 000	1 900	2 125	1 519	11 244	12 600	12 600
	Other												10	-	-	-
Total Capital Expenditure - Standard		100	719	2 454	9 714	9 931	8 931	1 005	7 151	9 671	9 285	11 048	33 904	103 914	94 606	103 561
Funded by:																
	National Government	100	352	1 541	3 000	3 300	2 700	351	2 530	4 219	3 864	4 364	3 986	30 347	28 126	29 187
	Provincial Government		266	300	1 553	2 151	2 003	16	1 903	1 503	1 503	1 503	19 905	33 007	34 750	44 374
	District Municipality															
	Other transfers and grants															
	Transfers recognised - capital	100	658	1 841	4 953	5 451	4 703	367	4 433	5 722	5 387	5 867	24 891	64 354	60 876	73 561
	Public contributions & donations															
	Borrowing			500	4 611	4 323	4 160	550	2 421	3 371	3 321	3 371	5 768	32 346	30 000	30 000
	Internally generated funds		61	113	159	157	68	78	297	578	598	1 810	2 844	6 253	3 730	-
	Total Capital Funding	100	719	2 454	9 714	9 931	8 931	1 005	7 151	9 671	9 285	11 048	33 904	103 914	94 606	103 561



WC032 Overstrand - Supporting Table SA30 Budgeted monthly cash flow

[illegible]

OVERSTRAND MUSEUM
26 MAY 2015
S. Saut

External mechanism	Yrs/ Mths	Period of agreement 1:		Services provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2:
		Yrs	Number			
Name of organisation Outsourcing of sub function solid waste: Overstrand Municipality Outsourcing of sub function solid waste: Overstrand Municipality Waste: Overstrand make use of contractual agreements to support the implementation of core function, but the definition of outsourcing do not apply to the other contracts entered into, due to ownership that is kept within the organisation Outsourcing of sub function: Waste water treatment works in Overstrand (Section 33 process in progress) SCM process to be followed	Mths Mths	10/ 96	Outsourcing of sub function solid waste Outsourcing of sub function solid waste	30 October 2022 01 May 2017	R 126 345 18 651	
	Yrs	15	Outsourcing of sub function waste water treatment works	Estimated date June 2030	To be determined	



Description	Preceding Years	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Total Contract Value
			Budget Year 2015/16	Budget Year +1 2016/17								
R thousand	Total	Original Budget			Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality: Revenue Obligation By Contract												
		194	204	214	236	247	260	273	263	-	-	2 114
Contract 1: SC11272011 Leasing for the operation of illuminated street signs in the Overstrand Municipality area Term of contract 01/07/2012 until 31/05/2022												-
Contract 2												-
Contract 3 etc												-
Total Operating Revenue Implication	-	194	204	214	236	247	260	273	263	-	-	2 114
Expenditure Obligation By Contract												
		1 130	1 216	1 309	1 519	1 639	1 770	1 912	-	-	-	11 904
Contract 1: SC2867B/2010 Operation of the mechanised material recovery facility at the Hermanus solid waste transfer station Term of contract 01/12/2013 until 30/10/2022												
Contract 2: SC2878/2010 Operation of the Gansbaai landfill and public drop offs in greater Gansbaai and Starboard Term of contract 01/02/2010 until 01/05/2017		3 388	2 949	3 323	1 738							15 085
Contract 3 etc												-
Total Operating Expenditure Implication	-	4 518	4 165	4 631	3 258	1 639	1 770	1 912	-	-	-	26 999
Capital Expenditure Obligation By Contract												
Contract 1												-
Contract 2												-
Contract 3 etc												-
Total Capital Expenditure Implication	-	-	-	-	-	-	-	-	-	-	-	-
Total Parent Expenditure Implication	-	4 518	4 165	4 631	3 258	1 639	1 770	1 912	-	-	-	26 999



WC032 Overstrand - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	133 045	108 252	50 511	34 500	34 003	34 003	44 873	24 326	41 887
Infrastructure - Road transport	12 754	15 578	9 203	800	1 332	1 332	14 979	5 000	5 000
Roads, Pavements & Bridges	5 477	10 720	9 160	-	-	-	12 103	4 000	4 000
Storm water	7 278	4 858	43	900	1 332	1 332	2 877	1 000	1 000
Infrastructure - Electricity	30 061	22 203	24 160	13 900	13 900	13 900	21 726	8 500	14 500
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	30 061	22 203	24 160	13 900	13 900	13 900	21 726	8 500	14 500
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	57 384	48 634	7 300	-	580	580	4 737	4 726	11 787
Dams & Reservoirs	-	-	-	-	-	-	-	-	6 000
Water purification	57 384	48 634	-	-	-	-	-	-	-
Reticulation	-	-	7 300	-	580	580	4 737	4 726	5 787
Infrastructure - Sanitation	32 650	16 478	8 449	9 600	8 892	8 892	3 420	6 100	10 600
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	32 650	16 478	8 449	9 600	8 892	8 892	3 420	6 100	10 600
Infrastructure - Other	196	5 359	1 400	10 200	9 300	9 300	10	-	-
Waste Management	196	5 359	1 400	10 200	9 300	9 300	10	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	6 183	20 997	13 896	18 266	38 167	38 167	35 611	45 550	56 174
Parks & gardens	-	2 156	-	-	-	-	-	-	-
Sportsfields & stadia	5 538	1 964	5 471	151	1 051	1 051	1 823	5 800	6 800
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	3	-	2 000	2 000	2 000	3 080	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	295	-	-
Security and policing	645	223	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	16 651	4 943	12 480	31 521	31 521	29 973	34 750	44 374
Other	-	-	3 482	3 635	3 595	3 595	440	4 000	4 000
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	795	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	795	-	-	-	-	-	-
Other assets	23 118	9 038	18 697	16 815	17 776	17 776	2 673	3 730	-
General vehicles	6 800	4 690	-	10 525	10 525	10 525	120	3 000	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	3 838	-	961	2 548	2 682	2 682	2 528	-	-
Furniture and other office equipment	148	-	-	2 508	2 369	2 369	-	730	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	12 332	-	510	-	-	-	-	-	-
Other Land	-	-	9 075	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	9 038	-	-	-	-	-	-	-
Other	-	-	3 461	1 235	2 200	2 200	25	-	-
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	928	1 330	-	-	-	-	-	-	-
Computers - software & programming	928	1 330	-	-	-	-	-	-	-
Other (list sub-class)	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	163 275	139 617	83 899	69 581	89 946	89 946	83 585	73 406	87 961



WC032 Overstrand - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	-	131	38 528	25 200	28 384	28 384	16 400	21 000	8 900
Infrastructure - Road transport	-	131	8 892	6 400	6 300	6 300	-	-	-
Roads, Pavements & Bridges	-		8 892	6 400	6 300	6 300	-	-	-
Drum water	-	131	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	12 955	3 100	3 100	3 100	-	5 500	1 500
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	-	-	12 955	3 100	3 100	3 100	-	5 500	1 500
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	16 331	12 800	15 805	15 805	11 653	10 000	4 000
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	-	16 331	12 800	15 805	15 805	11 653	10 000	4 000
Infrastructure - Sanitation	-	-	1 711	3 900	3 179	3 179	4 947	5 500	1 000
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	1 711	3 900	3 179	3 179	4 947	5 500	1 000
Infrastructure - Other	-	-	1 641	-	-	-	-	-	-
Waste Management	-	-	1 641	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	-	756	5 696	2 939	4 454	4 454	4 158	-	-
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	225	2 939	1 555	1 555	4 158	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	756	-	-	-	-	-	-	-
Social rental housing	-	-	5 461	-	2 899	2 899	-	-	-
Other	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	-	1 260	1 617	-	-	-	-	-	-
General vehicles	-	1 260	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	-	833	-	-	-	-	-	-
Furniture and other office equipment	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	-	-	-	-	-	-	-	-
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	-	-	984	-	-	-	-	-	-
Agricultural assets	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other (list sub-class)	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	-	4 147	47 032	28 139	32 838	32 838	20 758	21 000	8 900
Specialised vehicles	-	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-	-	-	-
Ambulances	-	-	-	-	-	-	-	-	-
Renewal of Existing Assets as % of total capex	0.0%	2.3%	35.9%	28.8%	26.7%	26.7%	20.0%	20.0%	4.5%
Renewal of Existing Assets as % of deprecn*	0.0%	4.0%	47.3%	25.8%	31.1%	31.1%	18.6%	18.6%	4.5%



WC032 Overstrand - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	2010/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	43 129	87 048	129 145	136 752	136 752	136 752	111 448	117 865	123 341
Infrastructure - Road transport	25 843	42 236	63 749	68 540	68 540	68 540	57 090	60 842	64 540
Roads, Pavements & Bridges	25 231	39 790	60 016	62 232	62 232	62 232	51 401	54 748	58 088
Storm water	611	2 446	3 732	6 308	6 308	6 308	5 889	6 094	6 452
Infrastructure - Electricity	4 501	14 105	20 488	25 491	25 491	25 491	16 635	17 340	23 091
Generation									
Transmission & Retention	4 501	14 105	20 488	25 491	25 491	25 491	16 635	17 340	23 091
Street Lighting									
Infrastructure - Water	6 892	21 502	27 931	26 775	26 775	26 775	22 874	24 001	24 393
Dams & Reservoirs	52	80							
Water purification	1 709	1 963							
Retention	5 132	19 459	27 931	26 775	26 775	26 775	22 874	24 001	24 393
Infrastructure - Sanitation	4 698	7 708	15 486	14 146	14 146	14 146	12 159	12 963	16 387
Retention	3 687	6 623							
Sewerage purification	862	1 085	15 486	14 146	14 146	14 146	12 159	12 963	16 387
Infrastructure - Other	1 215	1 499	1 491	1 800	1 800	1 800	2 492	2 719	4 130
Waste Management	1 215	1 499	1 491	1 800	1 800	1 800	2 492	2 719	4 130
Transportation									
Gas									
Other									
Community	6 012	5 408	7 349	9 298	9 298	9 298	4 546	4 391	8 211
Parks & gardens	1 410	1 303	2 354	2 819	2 819	2 819	2 084	2 218	3 601
Sportsfields & stadia	458	956	853	1 023	1 023	1 023	588	642	1 205
Swimming pools	228	289	279	302	302	302	483	513	823
Community halls	734	916	914	906	906	906	564	599	1 076
Libraries	180	181	194	171	171	171	99	105	174
Recreational facilities									
Fire, safety & emergency	538	848	787	1 185	1 185	1 185			
Security and policing	524	548	575	781	781	781			
Buses									
Clinics									
Museums & Art Galleries									
Cemeteries	37	62	53	53	53	53	27	29	51
Social rental housing			224	335	335	335			
Other	1 905	125	1 066	1 724	1 724	1 724	701	288	1 382
Heritage assets									
Buildings									
Other									
Investment properties	279								
Housing development	279								
Other									
Other assets	15 443	21 958	13 864	16 218	17 021	17 021	5 081	4 559	9 203
General vehicles	4 562	5 599							
Specialised vehicles									
Plant & equipment	4 309	5 035	4 441	6 157	6 157	6 157			
Computers - hardware/equipment									
Furniture and other office equipment									
Abattoirs									
Markets									
Civil Land and Buildings	1 023	1 355	824	1 214	1 214	1 214	561	701	1 249
Other Land									
Surplus Assets - (Investment or Inventory)	5 429	10 155	8 599	9 846	9 849	9 849	4 420	3 855	7 953
Other									
Agricultural assets									
List sub-class									
Biological assets									
List sub-class									
Intangibles									
Computers - software & programming									
Other (List sub-class)									
Total Repairs and Maintenance Expenditure	84 845	114 414	160 358	182 288	183 071	183 071	121 077	126 814	150 754
Socialised vehicles									
Refuse									
Pine									
Conservancy									
Ambulances									
RAM as a % of PPE	2.7%	3.7%	4.8%	5.3%	5.2%	5.2%	3.9%	4.1%	5.4%
RAM as % Operating Expenditure	8.7%	14.2%	18.1%	18.7%	17.9%	17.8%	12.8%	13.7%	15.1%



WC032 Overstrand - Supporting Table SA34d Depreciation by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Depreciation by Asset Class/Sub-class									
Infrastructure	87 037	81 931	85 101	93 344	91 038	91 038	94 154	99 803	105 792
Infrastructure - Road transport	36 340	29 992	30 210	31 514	31 612	31 612	32 235	34 169	36 219
Roads, Pavements & Bridges	34 105	27 959	27 955	29 493	29 367	29 367	29 645	31 424	33 309
Storm water	2 235	2 033	2 245	2 021	2 245	2 245	2 590	2 745	2 910
Infrastructure - Electricity	18 441	18 779	18 887	22 789	21 569	21 569	20 158	21 368	22 650
Generation									
Transmission & Retention	18 441	18 779	18 887	22 789	21 569	21 569	20 158	21 368	22 650
Street Lighting									
Infrastructure - Water	16 029	16 965	18 974	20 368	18 533	18 533	19 981	21 179	22 450
Dams & Reservoirs	16 029	16 965	18 974	20 368					
Water purification									
Retention					18 533	18 533	19 981	21 179	22 450
Infrastructure - Sanitation	13 422	13 420	14 103	15 067	17 128	17 128	17 034	18 056	19 140
Retention	13 422	13 420	14 103	15 067	15 067	15 067	17 034	18 056	19 140
Sewerage purification					2 061	2 061			
Infrastructure - Other	2 804	2 874	2 928	3 607	2 196	2 196	4 746	5 031	5 332
Waste Management	2 168	2 256	2 928	3 607	2 196	2 196	3 530	4 166	4 415
Transportation									
Gas									
Other	637	618					816	865	917
Community	4 359	2 851	2 961	4 822	3 305	3 305	3 601	3 817	4 046
Parks & gardens									
Sportsfields & stadia									
Swimming pools									
Community halls									
Libraries									
Recreational facilities	4 359	2 851	2 961	4 822	3 305	3 305	3 601	3 817	4 046
Fire, safety & emergency									
Security and policing									
Buses									
Clinics									
Museums & Art Galleries									
Cemeteries									
Social rental housing									
Other									
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings									
Other									
Investment properties	-	-	-	-	-	-	-	-	-
Housing development									
Other									
Other assets	12 427	19 253	10 670	10 216	10 236	10 236	12 451	13 230	14 023
General vehicles	2 077	2 360	2 588	2 360	2 380	2 380			
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment									
Computers & hardware/equipment	1 334	1 948	2 213	1 948	2 002	2 002			
Furniture and other office equipment	244	254	261	254	322	322			
Abattoirs									
Markets									
Civic Land and Buildings							5 685	6 026	6 388
Other Buildings	5 660	5 467	5 608	5 654	5 551	5 551			
Other Land									
Surplus Assets - (Investment or inventory)									
Other	3 111	9 224					6 796	7 204	7 636
Agricultural assets	-	-	-	-	-	-	-	-	-
List sub-class									
Biological assets	-	-	-	-	-	-	-	-	-
List sub-class									
Intangibles	219	373	629	883	883	883	1 128	1 193	1 265
Computers - software & programming	219	373	629	883	883	883			
Other (list sub-class)									
Total Depreciation	104 041	104 408	99 361	109 265	105 461	105 461	111 352	118 043	125 126

WC032 Overstrand - Supporting Table SA35 Future financial implications of the capital budget

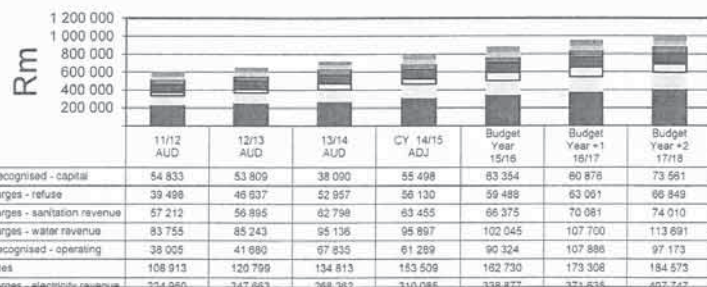
Capital expenditure							
Vote 1 - Council	-	-	-				
Vote 2 - Municipal Manager	-	-	-				
Vote 3 - Management Services	2 528	-	-				
Vote 4 - Finance	-	-	-				
Vote 5 - Community Services	78 720	78 606	83 561	5 000			
Vote 6 - Local Economic Development	-	-	-				
Vote 7 - Infrastructure & Planning	22 371	18 000	20 000	15 500	5 000		
Vote 8 - Protection Services	295	-	-				
Total Capital Expenditure	103 914	94 606	103 561	20 500	5 000	-	-



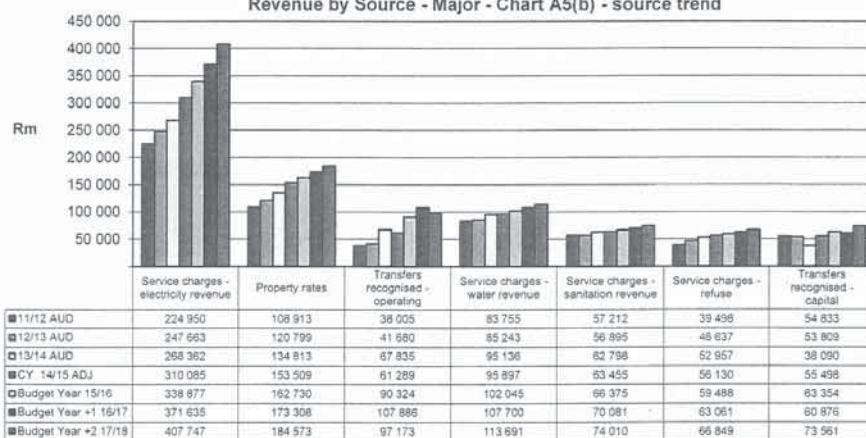
All discussed granted municipality	Municipal Vm/Capital project	Ref.	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete	Current Year 2014/15		2015/16 Medium Term Revenue & Expenditure Framework	
									Original Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 (Budget Year +2) 2016/17 2017/18
List of capital projects granted by Municipal Vm	Municipal Vm/Capital project	1.2	Handlight 2x4000 Sport grounds Handlight 1x4000 Sport grounds Electricity to Handlight 1x4000 Sport grounds Handlight 1x4000 Sport grounds Handlight 1x4000 Sport grounds Handlight 1x4000 Sport grounds Handlight 1x4000 Sport grounds Handlight 1x4000 Sport grounds Handlight 1x4000 Sport grounds Handlight 1x4000 Sport grounds		Examples Community Infrastructure - Electricity Infrastructure - Electricity Infrastructure - Electricity Infrastructure - Electricity Infrastructure - Electricity Infrastructure - Electricity Infrastructure - Electricity Infrastructure - Electricity	Examples Sportsfields & sports Sportsfields & sports Sportsfields & sports Sportsfields & sports Sportsfields & sports Sportsfields & sports Sportsfields & sports Sportsfields & sports Sportsfields & sports	19° 12' 53.14" S 27° 27' 27.27" E 19° 12' 53.14" S 27° 27' 27.27" E 19° 12' 53.14" S 27° 27' 27.27" E 19° 12' 53.14" S 27° 27' 27.27" E 19° 12' 53.14" S 27° 27' 27.27" E 19° 12' 53.14" S 27° 27' 27.27" E 19° 12' 53.14" S 27° 27' 27.27" E 19° 12' 53.14" S 27° 27' 27.27" E 19° 12' 53.14" S 27° 27' 27.27" E	2015	555	555	555	



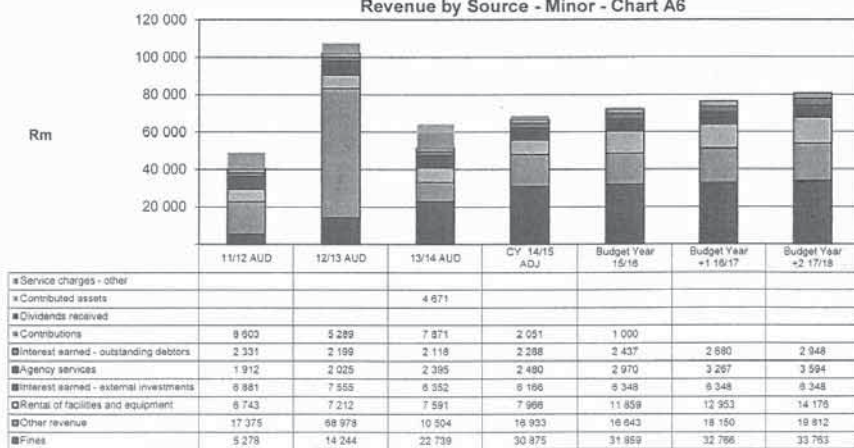
Revenue by Source - Major - Chart A5(a)



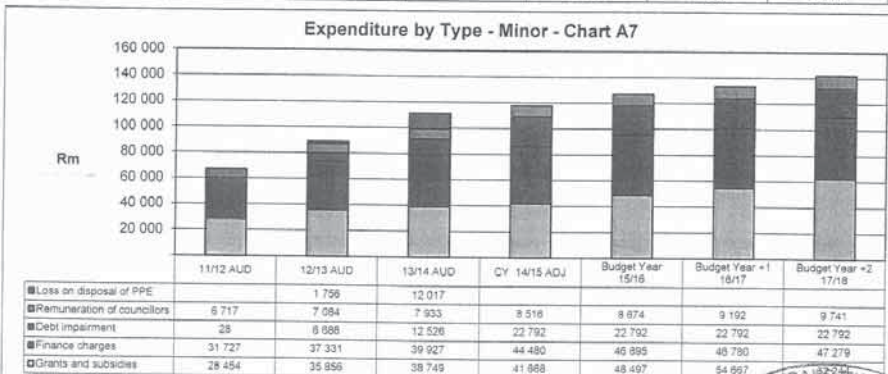
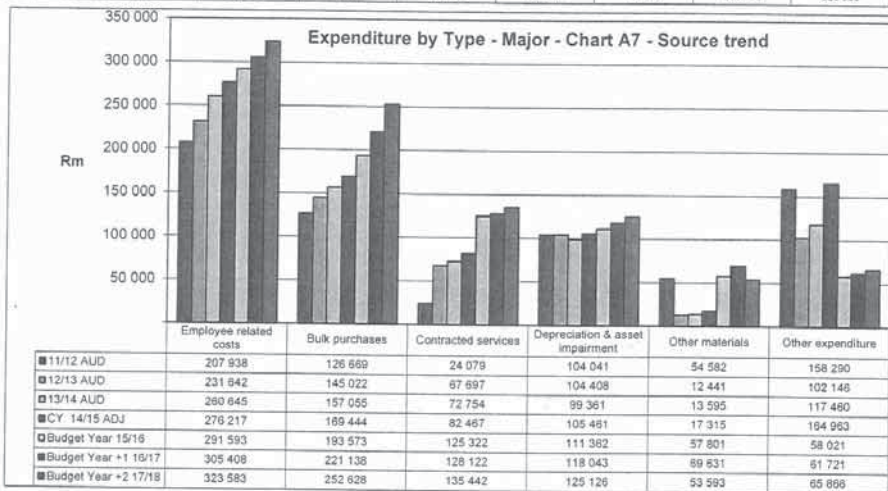
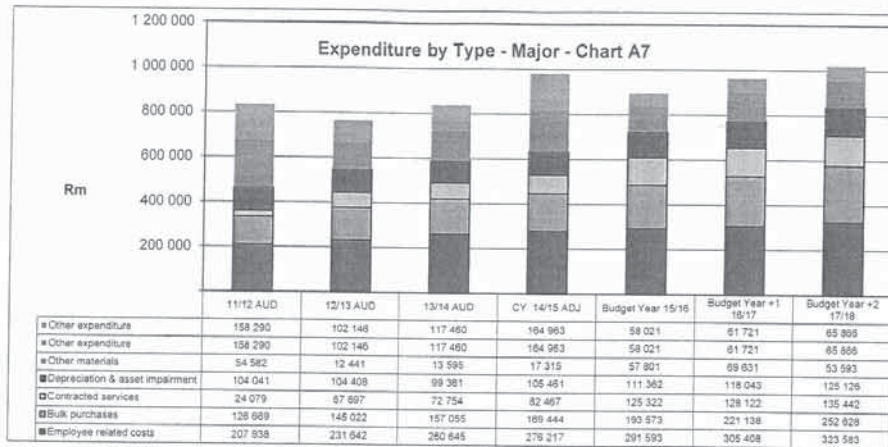
Revenue by Source - Major - Chart A5(b) - source trend



Revenue by Source - Minor - Chart A6

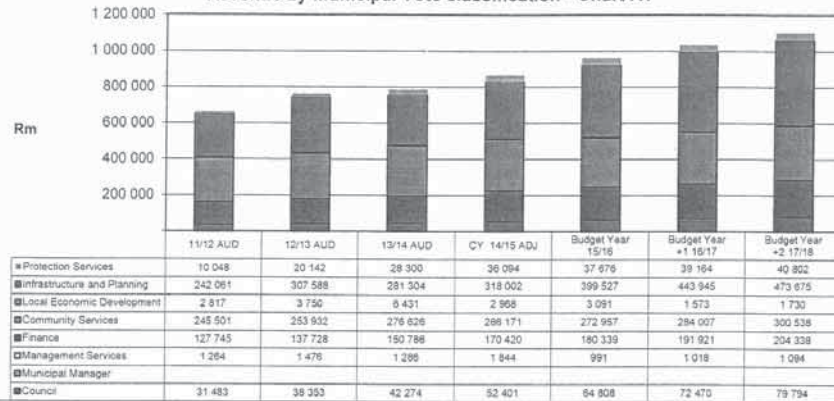


OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2015/2016 DRAFT BUDGET

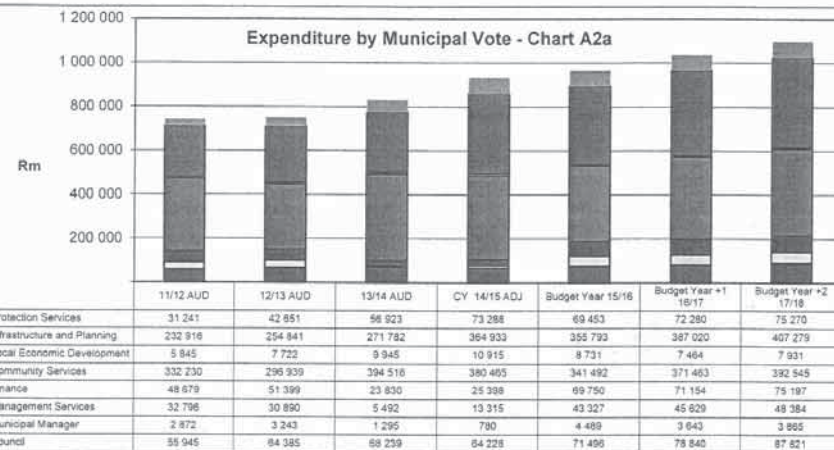


OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2015/2016 DRAFT BUDGET

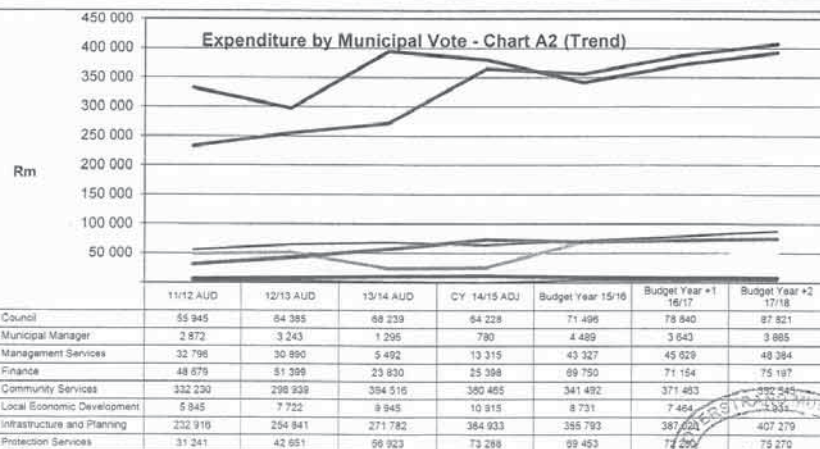
Revenue by Municipal Vote classification - Chart A1



Expenditure by Municipal Vote - Chart A2a



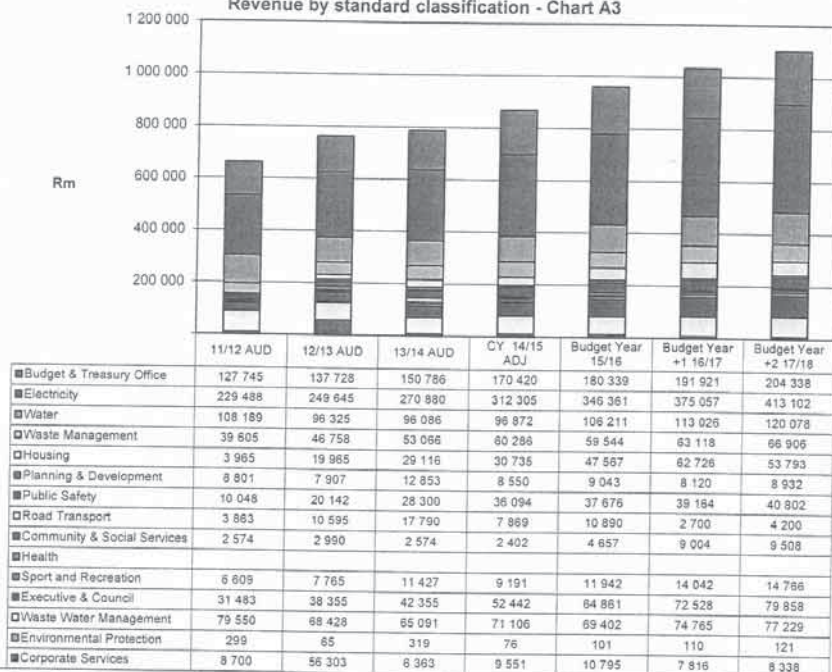
Expenditure by Municipal Vote - Chart A2 (Trend)



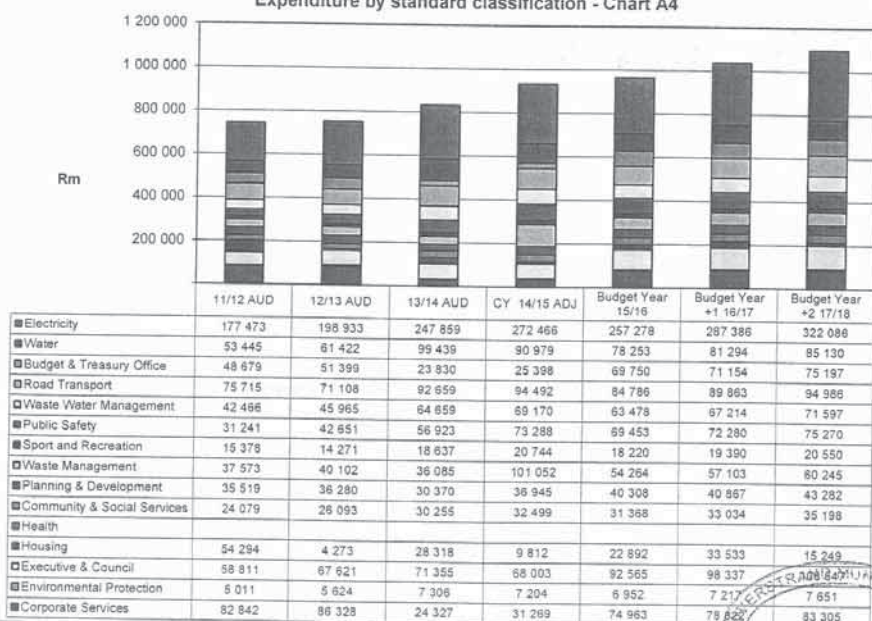
25 MAY 2015
 Sent
 OVERSTRAND MUNICIPALITY

OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2015/2016 DRAFT BUDGET

Revenue by standard classification - Chart A3



Expenditure by standard classification - Chart A4



ANNEXURE C

RATES AND TARIFFS



OVERSTRAND MUNICIPALITY TARIFF LIST

RATES TARIFFS

Tariff Code	Detail	2015/2016		2014/2015		1.0685
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
RATES	YEAR OF GENERAL VALUATION: 02 JULY 2011					
RATE1*	Commercial Land with Improvements	0.00670	0.00670	0.00627	0.00627	6.8500%
RATE2*	Residential Land with Improvements	0.00442	0.00442	0.00414	0.00414	6.8500%
	* See attached schedule of Exemptions and Rebates applicable					
RATE3	Municipal Properties: Investment Properties	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	
RATE4	Municipal Properties: Property, Plant and Equipment	0.00000	0.00000	0.00000	0.00000	
RATE5	Improvement District Surcharge (HPP) on total rates payable on approved Improvement District	0.10000	0.10000	0.10000	0.10000	0.0000%
RATE6	Building Clause	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property	
RATE7	Farm/Agriculture (Bona-fide)	0.00111	0.00111	0.00104	0.00104	6.8500%
RATE8	Undeveloped erven	0.00605	0.00605	0.00566	0.00566	6.8500%
RATE9	Government Properties: Commercial	0.00670	0.00670	0.00627	0.00627	6.8500%
RATE10	Government Properties: Residential	0.00442	0.00442	0.00414	0.00414	6.8500%

PLEASE NOTE: VAT IS LEVIED AT A RATE OF 0% ON ASSESSMENT RATES



OVERSTRAND MUNICIPALITY

(Attachments to the Rates Tariff Schedule)

TARIFF CODE	CLASS TAX	TYPE OF PROPERTY	REBATE OR EXEMPTIONS
BUS	General Tax: Commercial	All business, industries, Bed and Breakfast and Guest Houses	No exemptions. Bed and Breakfast as well as Guesthouses can apply before 30 June for the following rebate on the difference between Bus and Res rate: 1 -2 X lettable room: 100% 3 X lettable rooms: 75% 4 X lettable rooms: 50% 5 X lettable rooms: 25%
BUSO	General Tax: Tourism and recreational resorts outside the municipal urban areas	Hotels, Guest Houses, Cottages, Caravan parks and Holiday Resorts, Chalets	50% rebate on the tax applicable on commercial property in urban areas.
RES	General Tax: Residential properties within the municipal service areas	Single residential properties, Group housing, Retirement Villages, Flats, Sectional Schemes, small holdings not used for bona fide farming purposes	The first R15 000.00 of the rateable value of all residential properties is exempted from property tax. A further R35 000.00 of the rateable value is exempted in respect of all residential properties where a residential completion certificate has been issued and an additional rebate of 20% of the levy calculated on such properties is granted. Rebate to qualifying property owners as indicated under "Other Rebate"
RESO	General Tax: Residential properties outside the municipal urban area	Single residential properties, Group housing, Retirement Villages, Flats, Sectional Schemes	50% of the tax applicable on residential property in urban areas. Rebate to qualifying property owners as indicated under "Other Rebate"
FARMS	General Tax: Farming Properties	Smallholdings used for bona fide farming purposes outside municipal service area	Agricultural purpose in relation to the use of a property, excludes the use of a property for the purpose of ecotourism or for the trading in or hunting of game.
FARMS	Conservation land	Privately owned properties whether designated or used for conservation purposes.	Not rateable in terms of section 17(1)(e) of the act.



<p>PR100</p> <p>PR050</p> <p>PR040</p>	<p>Other Rebates</p>	<p>Single residential properties, Group Housing, Retirement Villages, Flats, Sectional Schemes</p>	<ul style="list-style-type: none"> - Property must be occupied permanently; - The applicant must be the registered owner; - Only one residential unit allowed on the property - Applicant may not be the registered owner of more than one property <ul style="list-style-type: none"> • A rebate of 100% to approved applicants, in terms of the Property Rates Policy, who's gross monthly household income may not exceed the amount of two times (2X) of state funded social pensions per month; • A rebate of 50% to approved applicants, in terms of the Property Rates Policy, who are older than 60 with a gross monthly household income less than four times (4X) of state funded social pensions per month; • A rebate of 40% to approved applicants, in terms of the Property Rates Policy, who are older than 60 with a gross monthly household income of more than four times (4X) but less than eight times (8X) of state funded social pensions per month.
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EXEMPTIONS FROM PROPERTY RATES (Rates Policy)

Religious Organizations	A property registered in the name of and used primarily as a place of public worship by a religious organization/community, including an official residence registered in the name of that organization/community which is occupied by an office bearer who officiates at services at that place of worship in terms of section 17(1)(i) of the MPRA.
Health and welfare institutions	Properties used exclusively as a hospital, clinic, mental hospital, orphanage, non-profit retirement village, old age home or benevolent institution, including workshops used by the inmates, laundry or cafeteria facilities, provided that any profits from the use of the property are used entirely for the benefit of the institution and/or to charitable purposes within the boundaries of Overstrand Municipality.
Private schools and Educational Institutions	Property used by registered private schools for educational purposes only
Charitable institutions	Properties belonging to not-for-gain institutions or organizations that perform charitable work.
Sporting bodies	Property used by an organization whose sole purpose is to use the property for sporting purposes, for gain or not. Assistance to professional sporting organizations may differ from that afforded to amateur bodies. The rebate will be awarded at the sole discretion of council on an annual basis.
Agricultural societies	Property belonging to agricultural societies affiliated to the SA Agricultural Union used for the purposes of the society.
Cultural institutions	Properties declared in terms of the Cultural Institutions Act, Act 29 of 1969 or the Cultural Institutions Act, Act 66 of 1989.
Museums, libraries, art galleries and botanical gardens	Registered in the name of private persons, open to the public and not operated for gain.
Youth development organizations	Property owned and/or used by organizations such as the Boy Scouts, Girls Guides, Voortrekkers or organizations the Council deems to be similar.
Animal protection	Property owned or used by institutions/organizations whose exclusive aim is to protect birds, reptiles and animals on a not-for-gain basis.



OVERSTRAND MUNICIPALITY

SUNDRY TARIFF LIST

1.10

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
S1	BOAT LICENCE/PERMITS, LAUNCHING & ENTRANCE FEE				
S1J	Kleinbaai Harbour:				
S1J1	On site Parking pm	745.61	850.00	675.44	770.00
S1J2A	Category B1: Shark-view operators/whale-watching (incl on-site parking) pa	31 250.00	35 625.00	28 407.02	32 384.00
S1J2B	Category B2: Shark-view operators/whale-watching (excl on-site parking) pm	2 390.35	2 775.00	2 171.06	2 475.00
S1J2C	Category B2: Shark-view operators/whale-watching (excl on-site parking) pa	23 850.88	27 190.00	21 681.58	24 717.00
S1J4A	Kelp Collectors pm	2 986.84	3 405.00	2 713.20	3 093.05
S1J4B	Kelp Collectors pa	29 815.79	33 990.00	27 102.00	30 896.28
S1J4C	Kelp Collectors per launch	192.98	220.00	175.44	200.00
S1J5	Over-size vessel	tariff + 50%	val on tariff + 50%	tariff + 50%	val on tariff + 50%
S1J6A	Nature Conservation	FREE	FREE	FREE	FREE
S1J6B	Support Service per month	585.79	645.00	511.40	583.00
S1J6C	Support Service per launch	74.56	85.00	67.54	77.00
S1J7A1	Recreational Fishing (Overstrand Consumers) Vessels < 7m pa	482.46	550.00	438.60	500.00
S1J7A2	Recreational Fishing Vessels < 7m per Launch	57.02	65.00	52.63	60.00
S1J7A3	Recreational Fishing (Overstrand Consumers) Vessels > 7m pa	578.95	660.00	526.32	600.00
S1J7A4	Recreational Fishing Vessels > 7m per Launch	74.56	85.00	65.79	75.00
S1J7B1	Commercial Fishing (Overstrand Consumers) Vessels < 7m pa	526.32	600.00	438.60	500.00
S1J7B2	Commercial Fishing Vessels < 7m pa	697.37	795.00	631.58	720.00
S1J7B3	Commercial Fishing Vessels < 7m per launch	65.79	75.00	New	New
S1J7B4	Commercial Fishing Vessels > 7m per launch	83.33	95.00	74.56	85.00
S1J8A	Passenger Boats pm	1 192.98	1 360.00	1 085.97	1 238.00
S1J8B	Passenger Boats per launch	114.04	130.00	106.14	121.00
S1J9	Vehicles up to 1 Ton per vehicle load capacity - mixed builders rubble NO ADMISSION to Transfer	201.75	230.00	183.34	209.00
S1J11	Formal Shop Rental / month	692.98	790.00	627.19	715.00
S1J12	Informal Trader under cover rental / month	456.14	520.00	414.91	473.00
S1M	Kleinmond Harbour:				
S1M1	Recreational Fishing (Overstrand Consumers) Vessels < 7m pa	482.46	550.00	New	New
S1M2	Recreational Fishing Vessels < 7m per Launch	57.02	65.00	New	New
S1M3	Recreational Fishing (Overstrand Consumers) Vessels > 7m pa	578.95	660.00	New	New
S1M4	Recreational Fishing Vessels > 7m per Launch	74.56	85.00	New	New
S1M6	Commercial Fishing (Overstrand Consumers) Vessels < 7m pa	526.32	600.00	New	New
S1M7	Commercial Fishing Vessels > 7m pa	697.37	795.00	New	New
S1M8	Commercial Fishing Vessels < 7m per launch	65.79	75.00	New	New
S1M9	Commercial Fishing Vessels > 7m per launch	78.95	90.00	New	New
S1M10	Passenger Boats pm	1 192.98	1 360.00	New	New
S1M11	Passenger Boats per launch	114.04	130.00	New	New
S1T	As per tariff SA2B - SA2B11				
S1T1	Affiliated Members				
S1T1A	Annually	175.44	200.00	New	New
S1T1B	Monthly	105.26	120.00	New	New

SUNDRY TARIFF LIST

1.10

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
S11C	Weekly	52.63	60.00	New	New
S11D	Daily	17.54	20.00	New	New
S11E	Non-Affiliated Members		0.00	New	New
S11F	Annually	350.88	400.00	New	New
S11G	Monthly	157.89	179.99	New	New
S11H	Weekly	87.72	100.00	New	New
S11I	Daily	26.32	30.00	New	New
S2	BUILDING CONTROL				
S2A1	Building Plan Fees up to 100 m² (R/m²)	23.68	27.00	21.05	24.00
S2A2	Building Plan Fees from 101 m² to 200 sq m (R/m²)	28.07	32.00	25.44	29.00
S2A3	Building Plan Fees from 201 m² to 300 sq m (R/m²)	32.46	37.00	29.83	34.00
S2A4	Building Plan Fees greater than 300 m² (R/m²)	36.84	42.00	34.21	39.00
S2A5	Building Plan fees - Building Sub-Economic < 70 m²	337.72	385.00	307.02	350.00
S2A6	Alterations and Additions smaller than 30 m²	710.53	810.00	631.58	720.00
S2A7	Building Plan fees related to farm buildings (farm sheds, stables, etc) R/m²	15.79	18.00	14.48	16.50
S2A8	Building Plan fees related to Industrial buildings R/m²	15.79	18.00	14.48	16.50
S2A9	Building Plan Fees Related to Government Buildings (School etc) (R/m²)	15.79	18.00	14.48	16.50
S2B1	Plan Sealing Fees - < 200 m²	412.28	470.00	377.19	430.00
S2B2	> 200 m² (R/m²)	3.33	3.80	3.07	3.50
S2B3	Demolition application	412.28	470.00	377.19	430.00
S2B4	Inspection & Re-inspection fees and Inspections on queries, rates clearance etc.	245.61	280.00	219.30	250.00
S2B5	Building Deposit - < 50m² or less or more than R150,000.00	730.00	no vat	660.00	no vat
S2B6	Building Deposit - Recoverable - 50m² to 200m² or more than R150,000.00	1 940.00	no vat	1 760.00	no vat
S2B7	Building Deposit - Recoverable more than 200m²	5 330.00	no vat	4 840.00	no vat
S2B8	Building Deposit - Sub-economic Areas only (Not applicable to Additions)	No Deposit	no vat	No Deposit	no vat
S2B9	Administration / Viewing Fee	48.25	55.00	43.85	50.00
S2C1	Minor Building Works	192.98	220.00	175.44	200.00
S2C2	Heritage Investigation Minor Alterations (no additions)	385.97	440.00	350.88	400.00
S2C3	Heritage Investigation add and all smaller than 30m²	771.93	880.00	701.75	800.00
S2C4	Heritage Investigation add and all greater than 30m²	1 543.86	1 760.00	1 403.51	1 600.00
S3	BUILDING CONTROL - PLAN PRINTING FEES				
S3A1	Per sheet - Size A0 (Private copy)	52.63	60.00	48.25	55.00
S3A2	Size A1 (Private copy)	42.11	48.00	38.60	44.00
S3A3	Size A2 (Private copy)	31.58	36.00	28.95	33.00
S3A4	Per sheet - Size A0 (Official copy)	42.11	48.00	38.60	44.00
S3A5	Size A1 (Official copy)	31.58	36.00	28.95	33.00
S3A6	Size A2 (Official copy)	21.93	25.00	20.18	23.00
S3B1	Per sheet - Size A0 (Private copy) Colour	276.32	315.00	250.88	286.00
S3B2	Size A1 (Private copy) Colour	210.53	240.00	192.98	220.00
S3B3	Size A2 (Private copy) Colour	140.35	160.00	131.58	150.00
S3B4	Per sheet - Size A0 (Official copy) Colour	140.35	160.00	127.19	145.00
S3B5	Size A1 (Official copy) Colour	105.26	120.00	96.49	110.00

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OVERSTRAND MUNICIPALITY

SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
S3B6	- Size A2 (Official copy) Colour	70.18	80.00	65.79	75.00
S5	BUSINESS LICENSE				
S2B1	Business Licence - permanent stand	615.62	701.80	559.65	639.00
S2B2	Business Licence - not permanent stand	221.93	253.00	221.93	253.00
S2B3	Re-inspection Fee	122.05	139.15	110.97	126.50
S2B4	Duplicate Licence Fee	122.05	139.15	110.97	126.50
S15	CEMETERY				
Residents (RES):					
S15A	Plot Cost (Fixed)				
Grave Depths					
Note	- Infill grave (between two existing graves) must have a soil coverage of not less than 1 meter; - Other single graves (not in-fill) must have a soil coverage of not less than 1.5 meters; - Double graves (in depth) must have a soil coverage of not less than 1.5 meters with a 300mm soil between the coffins; - Child grave must have a soil coverage of not less than 1 meter.				
S15A1	All cemeteries - single grave	474.56	541.00	474.56	541.00
S15A2	All cemeteries - Double graves - depth for two coffins	736.84	840.00	736.84	840.00
S15A3	Double grave next to each other	949.12	1 082.00	949.12	1 082.00
S15A4	Children under 12 years	356.14	405.00	356.14	405.00
S15A5	Garden of Remembrance Fees	173.68	198.00	173.68	198.00
S15B	Indication of grave				
S15B1	New graves (include inspection before and after funeral)	499.12	569.00	453.51	517.00
S15B2	Existing graves	159.65	182.00	144.74	165.00
Non Residents:					
S15C	Plot Cost				
S15C1	All Tariffs				
S15D	Indication of grave				
S15D1	All Tariffs				
S18	COMMERCIAL FILMING/PHOTOGRAPHING				
S18A1	Large per day or part thereof ≥ 50 people	11 254.39	12 830.00	10 228.07	11 660.00
S18A2	Small per day or part thereof more than 10 but < 50 people	3 947.37	4 500.00	3 579.83	4 081.00
S18A3	Small per day or part thereof ≤ 10 people	1 131.58	1 290.00	1 022.81	1 166.00
Addition to Shoot					
S18C	Animals (per animal per day or part of a day)	140.35	160.00	125.44	143.00
S18D	Area required for production and catering (per m ² per day or part of a day)	31.58	36.00	28.95	33.00
S18E	Cancellation Fee (per application at full permit fee)	15% of Fee	15% of Fee	15% of Fee	15% of Fee
S18G	Environmental Control Officer: Fees per hour or part thereof	328.95	375.00	298.25	340.00
S18H	Vehicles off Public Roads per Parking Bay (per vehicle per day/part of a day)	118.42	135.00	105.26	120.00
CREDIT CONTROL AND DEBT COLLECTION					
S20A	Admin fee on arrears accounts Notices	315.79	360.00	289.47	330.00
S20A2	Admin fee on 24 hour Notices - Bulk users	315.79	360.00	289.47	330.00
S20B	Admin fee on arrears accounts Disconnection and Reconnection Fee	530.71	605.00	482.46	550.00
S20C	SMS admin fee on arrears accounts Notices	21.93	25.00	NEW	NEW

SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015		1.10
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
S22	DOG TAX					
S22A	Licence per dog					9.09%
S22B	Social pensioner and registered indigent clients on application					10.00%
S23	FIRE SERVICES & DISASTER MANAGEMENT					9.85%
S23A	Plot Clearing					10.00%
S23B	Re-inspection Fee under By-law					10.00%
S23C	Extinguishing of Fires					10.00%
S23C1	Extinguishing of structural fires per hour or part thereof per incident					10.00%
S23C2	Extinguishing of structural fires - indigent households					10.00%
S23C3	Extinguishing of veh - and other fires per hour or part thereof					10.00%
S23C4	Assistance at motor vehicle accidents and rescues					10.00%
S23D	Standby at fire scene					10.00%
S23D1	Per hour or part thereof for vehicle and fire fighters					10.00%
S23E	Fire Prevention Inspections					10.00%
S23E1	Tank installation - per tank					10.00%
S23E2	LP Gas - per installation 48kg and more incl bulk tanks					10.00%
S23F	Fire Safety					10.00%
S23F1	1st and 2nd compliance inspection					10.00%
S23F2	3rd and continuing compliance inspection					10.00%
S23G	Events					10.00%
S23G1	Inspection of location and issuing of Population Certificate					10.00%
S23G2	Standby at event - per event per day or part thereof for vehicle and fire fighters					10.00%
S23H	Burn Permits					10.00%
S23H1	Burn Permit Inspection					10.00%
S25	LAW ENFORCEMENT					10.00%
S25C	Impoundment of Hawkers Goods					10.52%
S25C1	Per Impoundment					9.95%
S25C2	Removal of illegal structure per structure					11.12%
S25C3	Storage Fee per day					10.74%
S25D	Pound fee: Dogs and Cats					11.70%
S25D1	Impoundment of Dogs and Cats					10.08%
S25D2	Pound fee: from day 2 per day					10.74%
S25E	Pound fee: Other Animals					10.08%
S25E1	Impoundment fee per week per animal					10.74%
S25F	Bylaw on Outdoor Advertising					10.08%
S25F1	Impoundment of illegal Advertising/Agent boards (per board) - small <2400cm ²					8.47%
S25F2	Impoundment of illegal Advertising/Agent boards (per board) - large >2400cm ²					10.00%
S28	LIBRARY					8.47%
S28A1	Copies: A3 / Page					10.00%
S28A2	Copies: A3 / Page - Education Purposes ONLY Black & White					10.00%

OVERSTRAND MUNICIPALITY

SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015		1.10
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
S28A3	Copies: A3 page Colour	7.26	8.30	6.58	7.50	10.64%
S28A4	Copies: A3 / Page - Education Purposes ONLY Colour	5.79	6.60	5.26	6.00	10.00%
S28A5	Copies: A4 / Page	2.89	3.30	2.63	3.00	10.00%
S28A6	Copies: A4 / Page - Education Purposes ONLY Black & White	1.40	1.60	1.32	1.50	6.06%
S28A7	Copies: A4 page Colour	5.26	6.00	4.83	5.50	9.02%
S28A8	Copies: A4 / Page - Education Purposes ONLY Colour	2.89	3.30	2.63	3.00	10.00%
S28B1	Deposit to person/s non-residents Fiction & Non-Fiction	330.00	no vat	297.00	no vat	11.11%
S28C1	Fax per page - excluding 086506 numbers	3.77	4.30	3.38	3.85	11.54%
S28C2	Fax per page - 086506 numbers	6.40	7.30	5.79	6.60	10.54%
S28D1	Lost Cards: Laminated (R/card)	19.29	22.00	17.54	20.00	10.00%
S28D2	Laminated Cost A3	4.83	5.50	4.39	5.00	9.91%
S28D3	Laminated Cost A4	2.41	2.75	2.19	2.50	10.00%
S28E1	Penalty per book per week	1.00	no vat	1.00	no vat	0.00%
S28E2	Penalty per record/CD per week	1.00	no vat	1.00	no vat	0.00%
S28E3	Penalty per video per day	2.00	no vat	2.00	no vat	0.00%
S28F1	Scanning of Document - Black & White	16.67	19.00	14.91	17.00	11.80%
S28F2	Scanning of Document - Colour	18.42	21.00	16.67	19.00	10.50%
S28G1	Special Requests - Hold per Book	2.89	3.30	2.63	3.00	10.00%
S28G2	Special Requests - ILL per Book	4.83	5.50	4.39	5.00	9.91%
S28H1	Subscriptions/ reader - Adults (Non residents)	127.19	145.00	115.79	132.00	9.85%
S28H2	Subscriptions/ reader - Children (Non residents)	78.95	90.00	72.81	83.00	8.43%
S28H3	Subscriptions/ reader - Family max 5 (Non residents)	307.02	350.00	279.83	319.00	9.72%
S28K	Visitor's fee - Handling charge / item	10.53	12.00	9.65	11.00	9.12%
S28L1	Hire of Library Hall per Hour - Fundraising event	121.05	138.00	109.65	125.00	10.40%
S28L2	Hire of Library Hall per Hour - NON- Fundraising event	21.93	25.00	19.30	22.00	13.63%
S32	PARKING FEE					
S32A	Beaches: Grotto & Kleinmond (08:00 - 16:00)(Western Cape December School Holiday)					
S32A	Bus Drop off (more than 14 seats)	SCRAPPED	SCRAPPED	105.26	120.00	
S32B	Parking Buses: Municipal Parking Area per day	SCRAPPED	SCRAPPED	166.67	190.00	
S32C	Per vehicle per day or part of a day	SCRAPPED	SCRAPPED	13.16	15.00	
S32D	Residents' permit per year (only 2 per owner of eleven)	SCRAPPED	SCRAPPED	52.63	60.00	
S32E	Season Ticket (per Motor Vehicle)	SCRAPPED	SCRAPPED	115.79	132.00	
S32P	Metered parking (excluding public holidays)					
S32P	Parking Monthly Permit per vehicle	424.56	484.00	385.97	440.00	10.00%
S32Q	Per Quarter Hour or part of it - Monday to Friday 08:30 - 16:00	1.75	2.00	0.88	1.00	88.86%
S32R	Per Half Hour or part of it - Monday to Friday 08:30 - 16:00	2.63	3.00	2.63	3.00	0.00%
S32S	Per Hour Normal (Monday to Friday : 08:30 - 16:00)	5.26	6.00	4.39	5.00	19.82%
S32T	Per Hour Saturday (08:30 - 13:00)	5.26	6.00	4.39	5.00	19.82%
S32U	Kleinmond Launching (08:00 - 16:00)					
S32U	Entrance fee per day (Western Cape December school holiday plus Easter Weekend)	32.46	37.00	28.96	33.00	12.12%
S32V	Season Ticket (Western Cape December School Holiday plus Easter Weekend) (Motor Vehicles)	282.46	322.00	256.14	292.00	10.26%
S33	OPERATIONAL COST					

OVERSTRAND MUNICIPALITY

SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015		1.10
		Exclude VAT cost + 15%	Include VAT applicable vat	Exclude VAT cost + 15%	Include VAT applicable vat	
S33A	Application fee for Installation of Street Signage (brown direction boards)					
S34	PROPERTY ADMINISTRATION					
S34A	Application for Encroachment (Administration of Immovable Property Policy (Par. 64.2, 64.3, 64.4)	2 122.81	2 420.00	1 929.83	2 200.00	10.00%
S34B1	Application for lease of Municipal Property (<i>excluding Sport Facilities/Sails and organs of state</i>)	2 122.81	2 420.00	1 929.83	2 200.00	10.00%
S34B2	Application for lease of Municipal Property - registered Social Care Institutions / Organisations	482.46	550.00	438.60	500.00	10.00%
	Encroachment Fee:					
S34C	Veranda, Balcony, Sign, Signboards or similar structure (per annum) (Par. 64.2)	366.66	418.00	333.33	380.00	10.00%
S34D	Garden areas onto Commonage, Public Open Spaces, or Conservation areas (per annum) (Par. 64.3)	366.66	418.00	333.33	380.00	10.00%
S34F	Enclosure or exclusive use or portions of the Commonage, Public Open Spaces, Road Reserves or Public Thoroughfares for gardening purposes (per m² per month) (Par. 64.4)	10.53	12.00	9.65	11.00	9.12%
	Leases					
S34G	Use of Municipal land for outdoor seating adjoining a Restaurant (per m² per month) (Par. 64.5)	24.56	28.00	21.93	25.00	11.99%
S34G1	Temporary use (< 12 months) of Municipal land for general purposes (per m² per month)	24.56	28.00	21.93	25.00	11.99%
S34H	Radio Mast					
S34H1	Equipment on Mast - per month per mast	1 614.04	1 840.00	1 466.67	1 672.00	10.05%
S34H2	Space in building per m² - per month	424.56	484.00	385.97	440.00	10.00%
S34H3	Space outside the building per m² - per month	212.28	242.00	192.98	220.00	10.00%
S34H4	Land for installation of a new mast per m² - per month	53.51	61.00	48.25	55.00	10.91%
	Memorial Benches					
S34J	Memorial Benches (Installation)	2 653.51	3 025.00	2 412.28	2 750.00	10.00%
S34K	Memorial Benches (per Annum)	212.28	242.00	192.98	220.00	10.00%
S36	PROPERTY INFORMATION					
S36A1	Clearance Certificate (RtoCertificate) - ELECTRONIC	80.70	92.00	72.81	83.00	10.84%
S36A2	Clearance Certificate (RtoCertificate) - MANUAL	245.61	280.00	221.93	253.00	10.67%
S36B1	Deeds office registrations with sales information (R100 even or part)	106.14	121.00	96.49	110.00	10.00%
S36B2	Deeds office registrations with sales information (Rtoert)	27.19	31.00	24.56	28.00	10.71%
S36C	Extract from the Valuation Roll (Rpage)	8.77	10.00	7.90	9.00	11.08%
S36G	Revaluation fee	1 517.54	1 730.00	1 379.83	1 573.00	9.98%
S36G1	Valuation Certificate (RtoCertificate) - ELECTRONIC	37.72	43.00	34.21	39.00	10.26%
S36G2	Valuation Certificate (RtoCertificate) - MANUAL	127.19	145.00	115.79	132.00	9.85%
S36H	Access of valuation roll information on CID	289.47	330.00	269.47	300.00	0.00%
S40	RENTAL: COMMUNITY HALLS					
S40.1	All events hosted where the municipal council or administration is the official host	free of charge	free of charge	free of charge	free of charge	
S40.2	Day tariff for all approved festivals per day	796.49	908.00	723.68	825.00	10.05%
S40.3	Elections by the Electoral Commission	as per IEC policy	applicable vat	as per IEC policy	applicable vat	
S40A	Auditorium & Banqueting Hall					
S40A1	Deposit for all functions (refundable)	1 700.00	no vat	1 540.00	no vat	10.39%

SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015		1.10
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
S40A2	Hire of Auditorium and Banqueting Hall per Hour or part of a hour	509.65	581.00	463.16	528.00	10.04%
S40A3	Hire of Auditorium per Hour or part of a hour	255.26	291.00	231.58	264.00	10.23%
S40A4	Hire of Banqueting Hall per Hour or part of a hour	382.46	436.00	347.37	396.00	10.10%
Note	<i>Hiring of Kitchen (Banqueting Hall & Auditorium) used for the serving of food only is included in the hiring fee mentioned above as this facility forms an integral part of the building and cannot be separated there from.</i>					
S40A5	Non-fundraising events for Schools, other training institutions and sport & recreation per day	385.97	440.00	350.88	400.00	10.00%
S40A6	Piano per event	Actual Tuning Cost + R302.98 admin. Fee	Actual Tuning Cost + R345.40	Actual Tuning Cost + R275.44 admin. Fee	Actual Tuning Cost + R314.00	10.00%
S40A7	Sound OR Lighting Equipment per event (each item) per hour	80.70	92.00	72.81	83.00	10.84%
S40A8	Where use is made of the crockery and other facilities i.e. stove, fridge	530.71	605.00	482.46	550.00	10.00%
S40A9	After Midnight	tariff X 2	applicable val	tariff X 2	applicable val	10.00%
S40A10	Fund raising event: Local CBO's and NGO's per hour per venue	234.21	267.00	212.28	242.00	10.33%
S40A11	Non-fundraising event: Local CBO's and NGO's per hour per venue	159.65	182.00	144.74	165.00	10.30%
S40A12	Preparation for event - per hour / per event dependent on hourly or per event tariff applied	106.14	121.00	96.49	110.00	10.00%
S40A13	Meetings: Government departments (private meetings), NGO's and CBO's from outside the municipal area, per hour (Banquet hall)	234.21	267.00	212.28	242.00	10.33%
S40A14	Meetings: Local CBO's & NGO's per hour (Banquet hall only)	21.93	25.00	19.30	22.00	13.63%
S40C	Barracks - Kleinmond					
S40C1	Hire per room per month	35.09	40.00	31.58	36.00	11.11%
S40E	baardskeidersbos / Betty's Bay / Blompark / Buffelsjags /Eluxolweni /Hawston Abalone Village/Kleinmond Youth Centre / Kleinmond Club House / Masakane / Moffat Hall / Moolitsig / Overhills / Pringle Bay / Proteadorp / Stanford / Stanford Committee Room / Zweithule					
S40E4	Fundraising (Karaoke) Per daytime or evening	234.21	267.00	212.28	242.00	10.33%
S40E5	Fundraising (Karaoke) Per daytime or evening	95.61	109.00	86.85	99.00	10.09%
S40E7	Non-fundraising events for Schools, other training institutions and sport & recreation	192.98	220.00	175.44	200.00	10.00%
S40E8	Meetings: Local CBO's and NGO's per hour	21.93	25.00	19.30	22.00	13.63%
S40E9	Non-fundraising (parties) Per daytime or evening	117.54	134.00	106.14	121.00	10.74%
S40E10	Use of Kitchen - Fundraising events per event	212.28	242.00	192.98	220.00	10.00%
S40E11	Use of Kitchen - Non Fundraising	No charge	no val	No charge	no val	
Note	<i>Daytime = 07:00 - 17:00 // Evening = 18:00 - 24:00 (Charge separately)</i>					
S40J	Kleinmond Hall, & Hawston Thusing Centre					
S40J1	Deposit: (refundable) Funeral Teas, Church Services, Government Intibzoz & Meetings.	440.00	no val	400.00	no val	10.00%
S40J2	Deposit: Hawston Thusing Centre	1 100.00	no val	1 000.00	no val	10.00%
S40J3	Fundraising: Karaoke, Disco, competitions, etc. per daytime or evening	530.71	605.00	482.46	550.00	10.00%
S40J4	Fundraising: Karaoke, Disco, competitions, etc. per daytime or evening	95.61	109.00	86.85	99.00	10.09%
S40J5	Fundraising: Karaoke, Disco, competitions, etc. per daytime or evening	1 636.09	1 864.00	1 485.97	1 694.00	10.04%
S40J6	Government Intibzoz (per day)	192.98	220.00	175.44	200.00	10.00%
S40J7	Non-fundraising events for Schools, other training institutions and sport & recreation	234.21	267.00	212.28	242.00	10.33%
S40J8	Meetings: Government Departments (private meetings) & CBO's outside Municipal area per hour	21.93	25.00	19.30	22.00	13.63%

OVERSTRAND MUNICIPALITY

SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015		1.10
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
S40J9	Non-fundraising: Parties, weddings, indoor sports, etc. per hour		121.00	96.49	110.00	10.00%
S40J10	Sound OR Lighting Equipment per event (each item) per hour		92.00	72.81	83.00	10.84%
S40J11	Use of kitchen (per event per day)		255.26	231.58	264.00	10.23%
S40J12	Use of kitchen (per event per day) - Welfare, churches, non-profit organizations		255.26	231.58	264.00	10.23%
S43	RENTAL: HAWKERS' STALLS, OPEN SPACES & BEACHES					
S43A	CBD					
S43A1	All open stalls per day (demarcated area)(excluding Western Cape December Holiday plus Easter Weekend)	21.93	25.00	19.30	22.00	13.66%
S43A2	Open Stalls per day (Western Cape December Holiday plus Easter Weekend)	32.46	37.00	28.95	33.00	12.12%
S43B	Outside the CBD					
S43B1	Open Stalls Rental - Western Cape December Holiday plus Easter Weekend / pm	72.81	83.00	65.79	75.00	10.67%
S43B2	Open Stalls Rental - excluding Western Cape December Holiday plus Easter Weekend / pm	31.58	36.00	28.07	32.00	12.50%
S43D	Public Open Space					
S43D1	Car Park - Private Car Sales per day (demarcated areas)	28.95	33.00	26.32	30.00	9.97%
S43D2	Funfair, Circus etc per day	680.35	787.00	627.19	715.00	10.07%
S43D3	Welfare, churches, non-profit organizations	no charge	no val	no charge	no val	
S43D4	Sport Events per day	3 131.58	3 570.00	2 846.49	3 245.00	10.02%
S43F	Beaches					
S43F1	Beach Rentals - per day (Private functions)	1 008.77	1 150.00	916.67	1 045.00	10.05%
S46	RENTAL: OFFICE					
S46A	Rental per m ² / pm	95.61	109.00	86.85	99.00	10.09%
S46A1	Rental per m ² / pm (except the Hermanus area)	48.25	55.00	43.85	50.00	10.00%
S46A2	NGO's/NPO's per m ² / pm	28.95	33.00	26.32	30.00	9.97%
S46B	Local Council Functions	no charge	no val	no charge	no val	
S48	RENTAL: SPORT FACILITIES					
S48A	Spaces for Sport - Gansbaai					
S48A1	Club House - per hour (private events)	133.33	152.00	121.05	138.00	10.14%
S48A2	Club House - Sport events (Overstrand Teams)	no charge	no val	no charge	no val	
S48A3	Club House - Sport Event - per hour	66.67	76.00	60.53	69.00	10.14%
S48A4	Sport grounds - Non Overstrand per event	1 312.28	1 496.00	1 192.98	1 360.00	10.00%
S48A6	Sport grounds - Functions/Events (excluding departmental events)	723.68	825.00	667.90	750.00	10.00%
S48A7	Gym fees per month	67.54	77.00	61.40	70.00	10.00%
S48B	Overhills					
S48B1	Sport grounds - Non Overstrand per event	1 312.28	1 496.00	new	new	
S48B2	Sport grounds - Functions/Events (excluding departmental events)	723.68	825.00	new	new	
S49	RENTAL: UNDEVELOPED SERVICED ERVEN					
S49A	Wetmore Stands (Social Housing) - rent per month	26.32	30.00	new	new	
S50	SCHUUS HOUSES KLEINMOND (Meerenvlei)					
S50A	Rent per month	785.97	896.00	714.03	813.99	10.07%
S55	SUNDY					

OVERSTRAND MUNICIPALITY

SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015		1,10
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
S55A	Access to Information as per Act (2 of 2000) - Tariffs	As Stipulated in the Act	As Stipulated in the Act	As Stipulated in the Act	As Stipulated in the Act	
S55B1	Administration Cost - RD ACB	56.14	64.00	50.88	58.00	10.34%
S55B2	Administration Cost - RD cheques Post Dated Cheques	actual cost + R37.72	actual cost + R43.00	actual cost + R34.21	actual cost + R39.00	10.26%
S55B3	Administration Cost - Trace of Direct Deposit	77.19	88.00	70.18	80.00	10.00%
S55C	Copies of Council Agendas and Minutes per annum	1 096.49	1 250.00	993.86	1 133.00	10.33%
S55D1	Copies: A3 page	3.33	3.80	3.07	3.50	8.47%
S55D2	Copies: A3 page Colour	7.02	8.00	6.58	7.50	6.69%
S55D3	Copies: A4 page	2.63	3.00	2.41	2.75	9.13%
S55D4	Copies: A4 page Colour	5.26	6.00	4.83	5.50	9.02%
S55E	Foreign Bank Cost	actual cost	actual val	actual cost	actual val	
S55F1	Fax per page - excluding 086516 numbers	3.68	4.20	3.38	3.85	8.88%
S55F2	Fax per page - 086516 numbers	6.40	7.30	5.79	6.60	10.54%
S55G1	Interest on accounts in arrears	prime + 4%	no vat	prime + 4%	no vat	
S55G2	Placard / Poster Deposit for Elections	3 630.00	no vat	3 300.00	no vat	10.00%
S55G4	Placard / Poster Deposit for Political Parties	3 630.00	no vat	3 300.00	no vat	10.00%
S55H	Placard / Poster each	12.72	14.50	11.58	13.20	9.84%
S55J	Duplicate Account	6.32	7.20	5.79	6.60	9.15%
S55K	Section 62 of local Government: Systems Act: appeal deposit (refundable if appeal is upheld)	2 560.00	no vat	2 332.00	no vat	9.78%
S55K1A	Tender objection deposit (refundable if appeal is upheld)	2 560.00	no vat	2 332.00	no vat	9.78%
S55K1B	Tender objection deposit (partially upheld - refundable)	1 280.00	no vat	1 166.00	no vat	9.78%
S55K2	Tender documentation Administration Fee: (less than 20 pages)	25.44	29.00	23.16	26.40	9.84%
S55K3	Tender documentation Administration Fee: (more than 21 pages less than 50 pages)	138.60	158.00	125.44	143.00	10.49%
S55K4	Tender documentation Administration Fee: (more than 50 pages)	552.63	630.00	501.75	572.00	10.14%
S55L	Advertising Signs Auctioneers per 14days	392.98	448.00	357.02	407.00	10.07%
S55K1	Laminated Cost A3	4.83	5.50	4.39	5.00	9.91%
S55K2	Laminated Cost A4	2.46	2.80	2.19	2.50	12.33%
S60	SWIMMING POOL					
S60A	Daily Tariffs					
S60A1	Adults - per person per DAY or part of a day	7.90	9.00	7.02	8.00	12.48%
S60A2	Children (< 16years) per child per day or part of a day	No Charge	no vat	No Charge	no vat	
S60A4	Galas	80.70	92.00	72.81	83.00	10.84%
S60A5	Training sessions (Schools & Clubs) per season	127.19	145.00	115.79	132.00	9.85%
S60B	Peak time Tariffs (Hourly tariffs) (Western Cape December Holiday plus Easter Weekend)					
S60B1	Adults - per person per hour or part of a hour	0.97	1.10	0.88	1.00	10.00%
S60B2	Children (< 16years) per child per day or part of a day	No Charge	no vat	No Charge	no vat	
S60B4	Galas	80.70	92.00	72.81	83.00	10.84%
S65	TOP MANAGEMENT CONSULTATIONS					
S65A1	Consultation Fee (Top Management) per hour	742.98	847.00	675.44	770.00	10.00%
S72	TOWN PLANNING - APPLICATION FEES					
S72A	Amendment of application and conditions	1 804.39	2 067.00	1 640.35	1 870.00	10.00%

OVERSTRAND MUNICIPALITY

SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015		1.10
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
S72B	Application for amendment of SDF	2 122.81	2 420.00	1 929.83	2 200.00	10.00%
S72F	Removal of Title Deed Restrictions					10.00%
S72F1	Even smaller than 300 m²	394.74	450.00	391.23	446.00	0.90%
S72F2	Even larger than 300 m²	3 006.14	3 427.00	2 732.46	3 115.00	10.02%
S72G	Consolidations					
S72G1	Even smaller than 300 m²	371.93	424.00	New	New	
S72G2	Even larger than 300 m²	2 122.81	2 420.00	new	new	
S72H	Subdivision (cumulative)					
S72H1	up to 5 erven	4 139.49	4 719.00	3 763.16	4 290.00	10.00%
S72H2	6 to 10 erven	4 882.46	5 566.00	4 436.60	5 060.00	10.00%
S72H3	More than 10	6 899.12	7 865.00	6 271.93	7 150.00	10.00%
S72I1	Application for Consent Uses/Special Consent	2 122.81	2 420.00	1 929.83	2 200.00	10.00%
S72I1	Application for Consent Uses/Special Consent (Erven smaller than 300m²)	446.49	509.00	405.26	462.00	10.17%
S72I	Application for Rezoning					
S72J1	Even smaller than 300 m²	446.49	509.00	405.26	462.00	10.17%
S72J2	Even between and including 300 m² and 5000 m²	3 502.63	3 993.00	3 184.21	3 630.00	10.00%
S72J3	Even larger than 5000 m²	4 862.46	5 566.00	4 436.60	5 060.00	10.00%
S72K	Departure					
S72K1A	Application for Departure	2 122.81	2 420.00	1 929.83	2 200.00	10.00%
S72K1B	Application for Departure (Erven smaller than 300m²)	371.93	424.00	337.72	385.00	10.13%
S72K2	Application for Departure (Building Lines)					
S72K2A	Even smaller than 300 m²	405.26	462.00	405.26	462.00	0.00%
S72K2B	Even larger than 300 m²	1 736.85	1 990.00	1 736.85	1 980.00	0.00%
S72L	Amendment of site development plan, Constitution/Architectural Guidelines	1 543.86	1 760.00	new	new	
S72M	Contravention Application (Sec 40 of the Land Use Planning Ordinance, Ordinance 15 of 1985)	2 122.81	2 420.00	1 929.83	2 200.00	10.00%
S72N	Extension of Time	563.16	642.00	511.40	583.00	10.12%
S75	TOWN PLANNING: LAND USE PLANNING FEE					
S75A1	Advertising Costs Government Gazette	2 971.93	3 368.00	2 701.75	3 080.00	10.00%
S75A2	Advertising Costs Local newspapers	2 971.93	3 368.00	2 701.75	3 080.00	10.00%
S75A3	Advertising Costs - Placing of Final Notice in the Government Gazette	1 929.83	2 200.00	1 754.39	2 000.00	10.00%
S75B	Regulations of Zoning schemes	350.88	400.00	318.42	363.00	10.19%
S75C	Spatial Development Framework	828.07	944.00	752.63	858.00	10.02%
S75D	Zoning Certificate	212.28	242.00	192.98	220.00	10.00%
S75E	Registered Letters - more than 10 letters, applicant to pay applicable tariffs according to the South African Post Office Rates	applicable rate	applicable vat	applicable rate	applicable vat	
S75F	CD - Planning Documents	350.88	400.00	318.42	363.00	10.19%
S75F	TRAFFIC					
S80	Business & Other Events					
S80J1	Per officer per hour or part thereof - Mon - Sat	371.93	424.00	337.72	385.00	10.13%
S80J2	Per officer per hour or part thereof - Sundays and public Holidays	424.56	484.00	385.97	440.00	10.00%
S80J3	Administrative fee for provision of officers - per application	106.14	121.00	96.49	110.00	10.00%

OVERSTRAND MUNICIPALITY

SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015		1.10
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
S80K	Removal of Vehicles/Towing Fee					
S80K1	Removal of Vehicles per vehicle	892.11	1 017.00	810.53	924.00	10.07%
S80K2	Storage Fees per day	244.74	279.00	221.93	253.00	10.26%
S80K3	Towing Charge	Cost plus 15%	applicable vat	Cost plus 15%	applicable vat	
S80K4	Wheel Clamping per vehicle	212.26	242.00	192.98	220.00	10.00%
S80L	Traffic Cones					
S80L1	Hire of Traffic Cones per Cone per day	53.51	61.00	48.25	55.00	10.91%
S80P	Disabled Parking Token					
S80P1	Disabled Parking Token per application - valid for 2year period	96.49	110.00	96.49	110.00	0.00%



OVERSTRAND MUNICIPALITY

REFUSE (SOLID WASTE)

Tariff Code	Detail	2015/2016		2014/2015		1.06
		Exclude VAT R	Include VAT R	Exclude VAT R	Include VAT R	
SAN1	REFUSE REMOVAL (1 removal per week of 4 bags or 1X240 Bin)					
	DOMESTIC WASTE					
SAN1A	Residential (All registered erven/unit with approved building plan) 1 x removal per week (R/Month)	137.99	157.30	130.18	148.40	6.00%
SAN1A2	Residential Indigent (All registered erven/unit with approved building plan) 1 x removal per week (R/Month)	137.99	157.30	130.18	148.40	6.00%
	BUSINESS WASTE					
SAN1C	Commercial/Businesses (Hostels, Old Age Homes, Caravan Sites, Semi-permanent Resorts etc) (R/Month)	137.99	157.30	130.18	148.40	6.00%
SAN1N1	Bulk Container 240L (Wheeler bin) (R/Month) 1 X per week (if available)	137.99	157.30	130.18	148.40	6.00%
SAN1N	Bulk Container 240L (Wheeler bin) (R/Month) 2 X per week (if available)	275.97	314.60	260.35	296.80	6.00%
SAN1N3	Bulk Container 240L (Wheeler bin) (R/Month) 3 X per week CBD (if available)	413.95	471.90	390.53	445.20	6.00%
SAN1N4	Bulk Container 240L (Wheeler bin) (R/Month) 4 X per week CBD (if available)	551.93	629.20	520.70	593.60	6.00%
SAN1N2	Bulk Container 240L (Wheeler bin) (R/Month) 5 X per week CBD (if available)	689.91	786.50	650.88	742.00	6.00%
SAN1O	Camp/III Route (R/Month) (if available)	1 084.21	1 236.00	1 022.81	1 166.00	6.00%
SAN1P	Additional Removals per week on Saturday per Bin (R/Month) Peak Time per removal	206.98	235.95	195.26	222.60	6.00%
SAN1P1	Additional Removals on request Central Town (CBD) per bin (R/Month) (Sunday or Public Holidays) Peak Time per removal	275.97	314.60	260.35	296.80	6.00%
SA1Q1	Caravan Sites, Chalets, Semi-permanent & Resorts (R/Month) (Ullenskraalmond Vakansieoord; Franskraal Vakansieoord; Pearly Beach Camp, Micheal Fuchs Guesthouse) NO REMOVAL (per unit/site)	44.35	50.56	41.84	47.70	6.00%
SAN1R	Departmental Consumption (Municipal Consumption per removal site per month)	118.27	134.83	111.58	127.20	6.00%
SAN1U	Schools (R/Month)	137.99	157.30	130.18	148.40	6.00%
SAN1T	Removal outside service area (per removal per hour) (if available)	1 034.89	1 179.78	976.32	1 113.00	6.00%
SAN1V	Single Quarters & Transit Camps per unit	44.35	50.56	41.84	47.70	6.00%
SAN1W	Guesthouses, Bed & Breakfast (R/Month)	137.99	157.30	130.18	148.40	6.00%
SAN2	SELF DUMPING TRANSFER STATIONS & DUMPING SITES:					
SA2A	BUILDERS RUBBLE					
SA2A1	Vehicles up to 1 Ton per vehicle load capacity (clean builders rubble admission to transfer station)	no Charge	no Charge	no Charge	no Charge	
SA2A2	Vehicles up to 1 Ton per vehicle load capacity - mixed builders rubble NO ADMISSION to Transfer Station. Only to landfill as per tariff SA2B - SA2B11	applicable tariff	applicable VAT	applicable tariff	applicable VAT	
SA2B	Vehicles up to 1 Ton per vehicle load capacity	no Charge	no Charge	no Charge	no Charge	
SA2B1	Vehicles >1 & up to 2 Ton per vehicle load capacity	200.00	228.00	149.12	170.00	34.12%
SA2B2	Vehicles >2 & up to 3 Ton per vehicle load capacity	300.00	342.00	223.68	255.00	34.12%



REFUSE (SOLID WASTE)

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
SA2B3	Vehicles >3 & up to 4 Ton per vehicle load capacity	400.00	456.00	298.25	340.00
SA2B4	Vehicles >4 & up to 5 Ton per vehicle load capacity	500.00	570.00	371.93	424.00
SA2B5	Vehicles >5 & up to 6 Ton per vehicle load capacity (no admission to transfer station, only to dumping sites)	600.00	684.00	446.40	509.00
SA2B6	Vehicles >6 & up to 7 Ton per vehicle load capacity (no admission to transfer station, only to dumping sites)	700.00	798.00	521.05	594.00
SA2B7	Vehicles >7 & up to 8 Ton per vehicle load capacity (no admission to transfer station, only to dumping sites)	800.00	912.00	585.97	668.00
SA2B8	Vehicles >8 & up to 9 Ton per vehicle load capacity (no admission to transfer station, only to dumping sites)	900.00	1 026.00	660.53	753.00
SA2B9	Vehicles >9 & up to 10 Ton per vehicle load capacity (no admission to transfer station, only to dumping sites)	1 000.00	1 140.00	735.09	838.00
SA2B11	Vehicles >10 Ton per vehicle load capacity (no admission to transfer station, only to dumping sites)	1 200.00	1 368.00	883.33	1 007.00
SA2C	Dumping at Karwyderskraal Landfill Site by other municipalities and external parties, per Ton	122.00	139.08	new tariff	new tariff
SA3	WEIGHT BRIDGE	applicable tariff	applicable VAT	new tariff	new tariff
SA3A	As per tariff SA2B - SA2B11 per weighed load				
SA4	BASIC FEE - REFUSE SERVICE (Even without approved building plans)				
SA4A	All registered erven without approved building plans (R/Month)	68.98	78.64	65.08	74.19
SA5	SUNDRIES				
SA5A	Rental of Bulk Container per day (including disposal)	72.99	83.21	68.86	78.50
SA5B	Deposit - rental of bulk containers per 4 bins or less	500.00	no vat	530.00	no vat
SA5C	Asbestos Sheet - per unit	52.26	59.57	49.30	56.20
SA5D	Bakoon Resistant 240L Wheeley bin with lock delivered to homes on programme	818.06	932.58	771.75	879.80
THE REFUSE REMOVAL TARIFF IS MADE UP AS FOLLOWS: REMOVAL 40%, DISPOSAL 10% AND A BASIC FEE OF 50%					

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OVERSTRAND MUNICIPALITY

SEWER TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
SEWAGE - SINGLE AND INTERMEDIATE RESIDENTIAL (Dwelling house and Duplex flats,					
Conventional Sewers, small bore sewers and conservancy tanks)					
SE7A					
SE7A1	0 - 30kl per kl (based on 70% of 50kl water usage) - per unit per month, Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.		10.88	12.40	10.26
SE7A4	0 - 4.2 kl - subsidised		10.88	12.40	10.26
SE7A5	4.3 - 30kl per kl (based on 70% of 50kl water usage) - per unit per month, Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.		10.88	12.40	10.26
SE7B	SEWAGE - GENERAL RESIDENTIAL (Blocks of flats and Residential Buildings)				
SE7B1	0 - 45kl per kl (based on 50% of 50kl water usage) per unit per month		10.88	12.40	10.26
SE7C	SEWAGE - GUEST HOUSE; BED & BREAKFAST ESTABLISHMENTS				
SE7C1	per kl (based on 70% of water usage) per unit per month		10.88	12.40	10.26
SE7D	CONSUMPTION - ALL OTHER (Including Commercial, Industrial, School, Sport, etc)				
SE7D1	per kl (based on 50% of water usage) per unit per month - this percentage may be adjusted according to the Tariff Policy after investigation		10.88	12.40	10.26
SE7E	CONSUMPTION - DEPARTMENTAL				
SE7E1	0 - 35 kl per kl (based on 70% of 50kl water usage) per unit per month		10.88	12.40	10.26
SE8	BASIC CHARGE				
SE8A	Basic Monthly Charge Developed sites per effluent per month		96.61	110.13	91.14
SE8B	Basic Monthly Charge Underdeveloped sites - can not connect to the network per effluent per month		65.08	74.20	61.40
SE8C	Basic Monthly Charge Underdeveloped sites - can connect to the network per effluent per month		116.23	132.50	109.65
SE8D	Basic Monthly Charge Developed sites - with a septic Tank per effluent per month		65.08	74.20	61.40
SE8E	Basic Monthly Charge - Low Cost Housing & Single Quarters per effluent per month		65.08	74.20	61.40
SE8F	Infrastructure				
SE8F1	Fixed Infrastructure Basic Charge per effluent per month		9.60	10.94	9.60
SE9	OTHER SEWAGE CHARGES				
SE9A	Vacuum Tanker Service for users not paying tariff SET above - PROVIDED ON REQUEST				
SE9A1	vacuum tanker > 1.1kl per service used (vacuum tanker capacity > 1000 litres) - 1kl per service used (vacuum tanker capacity > 1000 litres) or 1kl per service used (vacuum tanker capacity > 1000 litres)		444.46	506.68	419.30
SE9A2	vacuum tanker > 1.1kl per service used (vacuum tanker capacity > 1000 litres) - 1kl per service used (vacuum tanker capacity > 1000 litres) or 1kl per service used (vacuum tanker capacity > 1000 litres)		444.46	506.68	419.30
SE9A3	Vacuum Tanker Service provided on request < 5kl (per 5kl or part thereof)		444.46	506.68	419.30
SE9A4	Vacuum Tanker Service provided on request > 5kl (per 5kl or part thereof)		444.46	506.68	419.30
SE9A5	Call out fee for Tank Service request but no service due to another defect		444.46	506.68	419.30
SE9A6	More than 3 pipes an additional fee per pipe for users not paying tariff SET above		65.08	74.20	61.40
SE9B	After Hours Vacuum Tanker Service - PROVIDED ON REQUEST				
SE9B1	After Hours - per request < 6kl (per 6kl or part thereof)		888.92	1 013.36	838.00
SE9B2	After Hours - per request > 6kl (per 6kl or part thereof)		888.92	1 013.36	838.00
SE9B3	After Hours - per request < 5kl (per 5kl or part thereof)		888.92	1 013.36	838.00
SE9B4	After Hours Businesses with Public Toilets per removal		266.86	304.21	251.75
SE9C	Vacuum Tanker Service outside urban areas - PROVIDED ON REQUEST				

SEWER TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
SE9C1	Normal Applicable Tariff (SE9A1 or SE9A2 or SE9A4) PLUS additional per hour PLUS SE9C2	266.86	304.21	251.75	287.00
SE9C2	Normal Applicable Tariff (SE9A2) plus additional per km	13.02	14.84	12.26	14.00
SE9C6	Normal Applicable Tariff (SE9A2) plus additional per km				
SE9C7	After Hours for Vacuum Tanker Service outside urban areas - PROVIDED ON REQUEST				
SE9C8	As per tariff SA2B - SA2B11				
SE9C9	After Hours Applicable Tariff (SE9B2) plus additional per km	applicable tariff	applicable VAT	251.75	287.00
SE10	SUNDY CHARGES	13.02	14.84	12.26	14.00
SE10	Testing and Connection Fees				
SE101	Testing of the septic and conservancy tanks per test	1 156.14	1 318.00	1 050.88	1 198.00
SE102	Small bore sewerage connection fee + tank test	5 307.02	6 060.00	4 824.56	5 500.00
SE103	Sewer Connection	3 976.32	4 533.00	3 614.91	4 121.00
SE104	Disposal				
SE105	Charge per M or part thereof	57.89	66.00	52.63	60.00

The cut off time for service delivery on the same day will be at 15:00. Any requests for tanker services after 15:00 will be charged at the after hour rate or will stand over until the next working day.

DC3 BULK SERVICES DEVELOPMENT FEES

Development Contributions will be determined as set out in the Annexure in respect of Development Contribution Policy



OVERSTRAND MUNICIPALITY

ELECTRICITY

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
ED	ELECTRICITY CONSUMER DEPOSITS				
ED2A1	Large Power User Group tariff E5 (excluding Kleinmond)	R	no vat	0.00	no vat
ED2B2	Large Power User Group tariff E5 Kleinmond 2 weeks highest average consumption	R	no vat	calculated	no vat
ED2C3	Two Times average consumption during the preceding 12 months (Defaulters)	R	no vat	calculated	no vat
ED3A	Domestic & Commercial Single Phase Credit Meter (Two Part Tariff) Electricity	R	no vat	4 674.25	4 166.00
ED3B	Two Times average consumption during the preceding 12 months (Defaulters)	R	no vat	calculated	no vat
ED4A	Domestic Three Phase Credit Meter (Two Part Tariff) - Electricity	R	no vat	7 891.03	7 033.00
ED4B	Two Times average consumption during the preceding 12 months (Defaulters)	R	no vat	calculated	no vat
ED5A	Commercial Three Phase Credit Meter (Two Part Tariff) - Electricity	R	no vat	9 227.33	8 224.00
ED5B	Two Times average consumption during the preceding 12 months (Defaulters)	R	no vat	calculated	no vat
ED6A	Domestic & Commercial Single Phase P/Paid (Two Part Tariff) - Electricity	R	no vat	449.44	424.00
ED7A	Domestic & Commercial Three Phase P/Paid (Two Part Tariff) - Electricity	R	no vat	1 382.24	1 304.00
ED8	Deposit - Registered Indigent	R	no vat	146.28	138.00
EF	FIXED CHARGES				
EF1	Infrastructure Charge per Meter per month	R	18.98	18.98	18.98
E1	SINGLE PHASE : DOMESTIC				
E1A	Two-Part Tariff: Credit meters up to 60 Amp (13.8 kVA BMD) (Including Resorts)				
E1A1	Basic Monthly charge per meter	R	216.83	247.19	204.56
E1A2	kWh Unit cost				
E1A2	IBT BLOCK 1 0 - 350 kWh	C	107.67	122.74	95.96
E1A3	IBT BLOCK 2 351 - 600 kWh	C	145.88	166.30	130.02
E1A4	IBT BLOCK 3 > 600 kWh	C	175.82	200.43	156.70
E1B	Two-Part Tariff: Pre-Paid up to 60 Amp (13.8 kVA BMD) (Including Resorts)				
E1B1	Vehicles up to 1 Ton per vehicle load capacity - mixed builders rubble NO ADMISSION to Transfer St	R	216.83	247.19	204.56
E1B2	kWh Unit cost				
E1B2	IBT BLOCK 1 0 - 350 kWh	C	98.45	113.38	88.64
E1B3	IBT BLOCK 2 351 - 600 kWh	C	137.46	156.71	122.52
E1B4	IBT BLOCK 3 > 600 kWh	C	169.00	192.66	150.62
E1C	SINGLE PHASE : COMMERCIAL				
E1C1	Basic Monthly charge per meter	R	216.83	247.19	204.56
E1C2	kWh Unit cost - Credit Meters	C	149.45	170.37	133.20
E1C3	kWh Unit cost - Pre-paid meters	C	140.83	160.55	125.52
E1D	Life Line One part tariff (Pre-paid meters only) ≤ 30 Amp with Maximum consumption of 350 kWh with average measured over twelve month period. Only available to Informal dwellings				
E1D1	kWh Unit cost				
E1D1	IBT BLOCK 1 0 - 350 kWh	C	98.62	112.43	87.90
E1E	One part tariff (Pre-paid meters only) Local Economic Development Projects				
E1E1	As per tariff SA2B - SA2B11		Applicable Tariff	Applicable Vat	173.12
E3	THREE PHASE: COMMERCIAL & DOMESTIC				
E3E	Two-Part Tariff: (up to 100A,Credit) (70 kVA BMD) DOMESTIC				

ELECTRICITY

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
E3E1	Basic Monthly charge per meter	R	433.67	494.38	466.40
kWh Unit cost					
E3E2	BT BLOCK 1 0 - 350 kWh	c	107.67	122.74	95.96
E3E3	BT BLOCK 2 351 - 600 kWh	c	145.88	166.30	109.39
E3E4	BT BLOCK 3 > 600 kWh	c	175.82	200.43	148.22
Two-Part Tariff: (up to 100A, Prepaid) (70 kVA BDMD) DOMESTIC					
E3E					178.64
E3E5	Basic Monthly charge per meter	R	433.67	494.38	466.40
kWh Unit cost					
E3E6	BT BLOCK 1 0 - 350 kWh	c	99.45	113.38	88.64
E3E7	BT BLOCK 2 351 - 600 kWh	c	137.46	156.71	101.05
E3E8	BT BLOCK 3 > 600 kWh	c	169.00	192.66	139.67
Two-Part Tariff: (up to 100A, Credit) (70 kVA BDMD) COMMERCIAL					
E3E					171.71
E3E9	Basic Monthly charge per meter	R	433.67	494.38	466.40
E3E10	kWh Unit cost	c	149.45	170.37	133.20
E3E	Two-Part Tariff: (up to 100A, Prepaid) (70 kVA BDMD) COMMERCIAL				
E3E11	Basic Monthly charge per meter	R	433.67	494.38	466.40
E3E12	kWh Unit cost	c	140.83	160.55	125.52
E3E	One-Part Tariff: (up to 100A, only prepaid) (70 kVA BDMD)				
E3E	Businesses, Flats, Sport grounds, Churches (minimum of 800kWh average for twelve months)				143.09
E3G1	kWh Unit cost	c	186.58	212.70	166.29
E5	TIME OF USE TARIFF (> 70kVA)				189.57
Service Charge (per month) for MV and LV consumers					
E5A1	Administrative and Services charge per month	R	2 335.53	2 662.50	New Structure
E5A2	Network demand charge kVA: Utilised capacity	R	22.00	25.08	New Structure
E5A3	Network Capacity Charge kVA: Notified Maximum Demand (NMD)	R	17.50	19.95	New Structure
Medium Voltage Metering Points (11000V) > 500kVA					
E5A4	Off Peak kWh Unit Charge	c	40.00	45.60	New Structure
E5A5	Standard kWh Unit Charge	c	72.00	82.08	New Structure
E5A6	Peak kWh Unit Charge	c	234.00	266.76	New Structure
Low Voltage Metering Points (400V) > 70kVA ≤ 500kVA					
E5A7	Off Peak kWh Unit Charge	c	43.00	49.02	New Structure
E5A8	Standard kWh Unit Charge	c	75.00	85.50	New Structure
E5A9	Peak kWh Unit Charge	c	237.00	270.18	New Structure
Sundry Charges					
E5A10	Excess NOTIFIED MAXIMUM DEMAND (NMD) per kVA Per month	R	860.45	980.91	766.89
E6	SUBSIDIZED TARIFFS: Grant to be shown separately				
E7	PUBLIC LIGHTING				
E7A1	Streetlights (metered) per kWh	c	64.34	73.35	57.35
E7A2	Streetlights (consumption) (R per 100watt /per month)	R	22.57	25.73	20.12
E7A5	Illuminated street sign boards per month	R	22.57	25.73	20.12
E8	CASUAL SUPPLIES				
E8A1	Per connection includes disconnection excluding hire of kiosk	R	885.04	986.15	786.40
					896.50

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Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
E8A2	Consumption per day(CB Ampere size (per amp) if not metered	R 6,20	7,07	5,64	6,43
E8A3	Hire of temporary distribution kiosk, per kiosk, per occasion	R 337,72	385,00	307,02	350,00
E8A4	Deposit (Usage will be subtracted)	R 1 166,00	no vat	1 060,00	no vat
E9 AVAILABILITY CHARGES					
E9A1	Availability charge per vacant plot per month	R 216,83	247,19	204,56	233,20
E9A2	Infrastructure per vacant plot per month	R 16,65	18,98	16,65	18,98
E10 SUNDRY CHARGES					
E10A1	Call-out Fee - (office hours)	R 541,32	617,10	452,11	561,00
E10A2	Call-out Fee - after hours (Weekdays & Saturdays)	R 817,28	931,70	742,98	847,00
E10A3	Call-out Fee - after hours (Sundays & Public Holidays)	R 1 082,63	1 234,20	984,21	1 122,00
E10A4	MV Switching on Council's equipment (office hours)	R 1 613,33	1 839,20	1 466,67	1 672,00
E10A5	MV Switching on Council's equipment -after hours (Weekdays & Saturdays)	R 2 420,00	2 758,80	2 200,00	2 508,00
E10A6	MV Switching on Council's equipment -after hours (Sundays & Public holidays)	R 3 226,67	3 678,40	2 933,34	3 344,00
E10A7	Contractor Inspection 2nd	R 541,32	617,10	452,11	561,00
E10A8	Contractor Inspection 3rd	R 817,28	931,70	742,98	847,00
E10A9	Change of Circuit Breaker - S(Phase)(Iannum) contact Electricity Department for approval	R 456,40	520,30	414,91	473,00
S15A5	Change of Circuit Breaker - 3 Phase(Iannum) contact Electricity Department for approval	R 902,19	1 028,49	820,17	934,99
E10A11	Disconnection	R 265,35	302,50	241,23	275,00
E10A12	Reconnection	R 265,35	302,50	241,23	275,00
E10A13	Verification of a Meter Reading	R 265,35	302,50	241,23	275,00
E10A14	Administration fee - recalculation due to no meter access	R 137,98	157,30	125,44	143,00
E10A15	Test of Meter: 1 & 3 Phase (Conditionally Refundable)	R 488,25	556,60	443,86	506,00
E10A16	Test of Meter: All other Meters (Conditionally Refundable)	R 1 008,33	1 149,50	916,67	1 045,00
E10A17	Tariff change - change between one part and two part	R 189,44	205,70	164,04	187,00
E10A18	Damage elect meter (based on meter cost + call out X 2 + 15%)	R 1 695,00	1 932,30	1 061,40	1 210,00
E10A19	Damage elect meter 3 phase (based on meter cost + call out X 2 + 15%)	R 1 836,22	2 093,30	1 669,30	1 903,00
E10A19A	Replacement of OIU (Meter keypad)	R 847,37	966,00	NEW	NEW
E10A20	Damage of Bulk meter	R 9 393,42	10 708,50	8 539,48	9 735,00
E10A21	Change from Bulk to Time of Use (with existing bulk meter) + Deposit on request of user	R 541,32	617,10	452,11	561,00
E10A22	Change from Bulk to Time of Use (without existing bulk meter) + Deposit	R 9 393,42	10 708,50	8 539,48	9 735,00
E10A23	Commission of Bulk meter, supplied by customer (callout x 3)	R 1 634,56	1 863,40	1 485,97	1 694,00
E10A24	Damage of HV Cable	R cost + R30 250,00	Applicable Vat	cost + R27 500,00	Applicable Vat
E10A25	Damage of MV Cable	R cost + R7 407,46	Applicable Vat	cost + R7 188,60	Applicable Vat
E10A26	Damage of LV Cable	R cost + R3 184,21	Applicable Vat	cost + R2 894,74	Applicable Vat
E10A27	Damage of Service Connection Cable	R cost + R796,05	Applicable Vat	cost + R723,68	Applicable Vat
E10A28	Working without Way leave	R 4 081,00	4 652,34	3 710,00	4 229,40
E10A29	Refundable Wayleave deposit for HV cables	R 58 300,00	no vat	53 000,00	no vat
E10A30	Refundable Wayleave deposit for MV cables	R 14 575,00	no vat	13 260,00	no vat

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Tariff Code	Detail	2015/2016		2014/2015	
E10A31	Refundable Way leave deposit for LV cables	R	3 148.20	Exclude VAT	Include VAT
E10A32	Cancellation Fee of requested service	R	15% of Service Value	2 852.00	no vat
E10A33	Erection and removal of Banners, signs & lights (per hour) (Vehicle cost + labour)	R	650.00	15% of Service Value	no vat
E10A33		R		1 100.00	1 254.00
E12	CONVERSION OF METERS				
E12A1	Convert Credit Meter to P/P- SP (no cable work) (Based on meter cost + call out X 2 +15%)	R	934.03	1 064.80	968.00
E12A2	Convert Credit Meter to P/P- 3P (no cable work) (Based on meter cost + call out X 2 +15%)	R	2 220.00	2 530.80	3 520.00
E12A3	Convert Credit Three Phase to Single Phase P/P meter	R	1 138.60	1 298.00	1 180.00
E12A4	Convert Credit Three Phase to Single Phase Credit (Commercial only)	R	859.74	980.10	891.00
E12A5	Convert P/P Single Phase to Three Phase P/P (based on tariff E13A8) cost included cable to boundary	R	R 8,724 + ext fee	R7 931.58 + ext fee	Applicable Vat
E12A6	Convert P/P Three Phase to Single Phase P/P (based on meter cost + call out x 2 = CB = 15%)	R	1 167.54	1 331.00	1 210.00
E12A7	Removal of Meter	R	541.32	617.10	561.00
E12A8	Repositioning of Meter (excl. cable)	R	541.32	617.10	561.00
E12A9	Repositioning of Meter (incl. cable)	R	1 326.75	1 512.50	1 375.00
E13	SERVICE CONNECTIONS				
E13A1	Builders connection (plus applicable service connection tariff)	R	700.53	798.60	726.00
E13A4	Single Phase (Credit - 60A) option for Commercial users only	R	4 723.25	5 384.50	4 895.00
E13A6	Single Phase - (Pre-paid meters - 60A) applicable to Domestic users (Network Permitted)	R	4 723.25	5 384.50	4 895.00
E13A7	Three Phase - (Credit - 60A) Plus Extension fee	R	R 8,724.74 + ext fee	Applicable Vat	Applicable Vat
E13A8	Three Phase - (Pre-Paid - 60A) Plus Extension fee	R	R 8,724.74 + ext fee	Applicable Vat	Applicable Vat
E13A9	Non-Standard - Pre-paid 30 Amp Single phase (Sub economic connections)	R	2 865.79	3 267.00	2 970.00
E13A10	Single Phase (Credit 60A- Developer install cable to boundary) option for Commercial users only	R	1 326.75	1 512.50	1 375.00
E13A11	Single Phase (Pre-Paid 60A-Developer install cable to boundary) applicable to Domestic users (Network permitted)	R	1 231.22	1 403.60	1 276.00
E13A12	Three Phase (Credit 60A- Developer install cable to boundary)	R	R 2,706.57 + ext fee	Applicable Vat	Applicable Vat
E13A13	Three Phase (Pre-Paid 60A-Developer install cable to boundary)	R	R 2,706.57 + ext fee	Applicable Vat	Applicable Vat
E13A14	Any other none standard connections	R	cost + 15% admin	cost + 15% admin	Applicable vat
E14	REMEDIAL ACTION FEE (TAMPERING) (including damage or bypass of the DSM Hot Water Cylinder Control Unit)				
E14A1	1 st Offence	R	3 230.70	no vat	no vat
E14A2	2 nd Offence (E14A1 X 2)	R	6 461.40	no vat	no vat
E14A3	3 rd Offence and re-occurrence (Disconnection of service and remedial action fee = double previous offence fee)	R	Previous offence amount X 2	Cost of new Connection plus 50%	Applicable Vat
E14A3		R	1 447.37	1 650.00	1 500.00
E15	UPGRADING EXTENSION FEES (Network permitted: to be approved by Electricity Department)				
E15A1	Primary Cost pA/V A -include all HV Equipment UP to HV Substation or identified point of supply excluding Dist. TF	R	1 162.98	1 325.80	1 859.00
E15A2	Primary Cost pA/V A -include all MV Equipment UP to Main Substation or identified point of supply excluding Dist. TF	R	3 187.61	3 633.88	3 158.80
E15A3	Secondary Cost pA/V A -include all MV Equipment UP to Main Substation or identified point of supply including Dist. TF	R	4 080.19	4 628.62	4 658.50

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Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
E15A4	Secondary Cost p/kVA - include all MV Equipment UP to Main Substation or identified point of supply including Dist. TF and Kiosk	R	6 039.56	5 133.34	5 852.00
E15A5	Buying/Refund of spare capacity cost/kVA	R	100% of approved installation cost	Applicable VAT	Applicable VAT
E15A6	Investigation Fee	R	3 237.28	2 942.98	3 355.00
E15A7	FACTOR OF 0.36 APPLICABLE ON DOMESTIC USERS: TARIFF: applicable on E15A3 AND E15A4 (Commercial/Business no factor apply)	R	Factor 0.36	Factor 0.36	Applicable VAT
DEVELOPMENT CONTRIBUTIONS (Bulk Service Levies - BICL)					
DC2A	Sub Division of existing erf	R			
DC2A1	Single Phase 60 AMP (5 kVA) Domestic X Tariff E15A4 = PERF PLUS STANDARD CONNECTION FEES	R	26 489.30	30 197.80	28 462.00
DC2B	New Developments				
DC2B1	Standard fee per Single Phase Domestic erf - infrastructure provide by developer (13.8 kVA x E15A2 x 36)	R	15 836.05	18 053.10	16 285.11
DC2B2	Standard fee per Three Phase Domestic erf - infrastructure provide by developer (42kVA x E15A2 x 36)	R	48 196.66	54 944.19	49 563.38
DC2C	MV/LV Bulk Supply with metering point cost / kVA = Tariff E15A2	R	3 187.61	3 633.88	3 189.00
DC2C1	LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3	R	4 060.19	4 628.62	4 532.00
E17	WHEELING TARIFF				
E17A1	Firm network situation (network will not be interrupted under normal operations)	c	19.11	21.78	19.80
E17A2	Non-Firm network situation (Municipal networks may not always be available for transport of energy under normal operation per kWh)	c	11.67	13.30	12.10



WATER TARIFFS

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
CONSUMER DEPOSITS					
WD	Domestic - Water				
WD1A	Two Times average consumption during the preceding 12 months (Defaulters)	955.00	no vat	901.00	no vat
WD1B	Commercial - Water - Consumption < 40kl	calculated	no vat	calculated	no vat
WD2A	Two Times average consumption during the preceding 12 months (Defaulters)	2 191.00	no vat	2 087.00	no vat
WD2B	Commercial - Water - Consumption 40 - 100kl	calculated	no vat	calculated	no vat
WD3A	Two Times average consumption during the preceding 12 months (Defaulters)	7 722.00	no vat	7 722.00	no vat
WD3B	Commercial - Water - Consumption 100 kl +	calculated	no vat	calculated	no vat
WD4A	Two Times average consumption during the preceding 12 months (Defaulters)	12 855.00	no vat	12 137.00	no vat
WD4B	Domestic - Water RUE's	calculated	no vat	calculated	no vat
WD5A	Two Times average consumption during the preceding 12 months (Defaulters)	Applicable Rue's X WD1A	no vat	Applicable Rue's X WD1A	no vat
WD5B	Indigent - registered	150.00	no vat	calculated	no vat
WD6			no vat	138.00	no vat
BASIC CHARGE					
W1	Basic Monthly Charge per effluent per month	108.42	123.60	102.28	116.60
W1A1	Fixed Infrastructure Basic Charge per effluent per month	15.45	17.61	15.45	17.61
W1A3					
CONSUMPTION - HOUSEHOLDS					
<i>See attachment for the amount of RUE's allocated to different household consumers</i>					
Normal Tariff					
W1B1	0 - 6 kl per kl	3.62	4.13	3.25	3.71
W1B2	7 - 18 kl per kl	9.12	10.39	8.60	9.80
W1B3	19 - 30 kl per kl	14.79	16.86	13.95	15.90
W1B4	31 - 45 kl per kl	22.76	25.95	21.48	24.48
W1B5	46 - 60 kl per kl	29.57	33.71	27.90	31.81
W1B6	Vehicles up to 1 Ton per vehicle load capacity - mixed builders rubble NO ADMISSION to Transfer Station	39.43	44.95	37.20	42.40
Restriction Tariff (level 1 restrictions)					
W1B7	0 - 6 kl per kl	4.71	5.37	4.23	4.82
W1B8	7 - 18 kl per kl	11.85	13.51	11.18	12.74
W1B9	19 - 30 kl per kl	19.22	21.91	18.13	20.67
W1B10	31 - 45 kl per kl	29.59	33.74	27.92	31.83
W1B11	46 - 60 kl per kl	38.45	43.83	36.27	41.35
W1B12	>60kl per kl	51.25	58.43	48.36	55.12
Restriction Tariff (level 2 restrictions)					
W1B13	0 - 6 kl per kl	5.80	6.61	5.21	5.94
W1B14	7 - 18 kl per kl	14.59	16.63	13.75	15.68
W1B15	19 - 30 kl per kl	23.66	26.97	22.31	25.43
W1B16	31 - 45 kl per kl	36.42	41.52	34.36	39.17
W1B17	46 - 60 kl per kl	47.32	53.94	44.64	50.89
W1B18	As per tariff SAC2B - SAC2B11	applicable tariff	applicable VAT	59.51	67.84
Restriction Tariff (level 3 restrictions)					
W1B19	0 - 6 kl per kl	7.25	8.26	6.51	7.42

OVERSTRAND MUNICIPALITY

WATER TARIFFS

Tariff Code	Detail	2015/2016		2014/2015		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
W1B20	7 - 18 kl per kl	18.23	20.78	17.19	19.60	1.06
W1B21	>18 kl per kl	78.85	89.89	74.39	84.80	1.10
W1B1	CONSUMPTION - REGISTERED INDIGENT HOUSEHOLDS					
W1B11	Normal Tariff					6.00%
W1B12	0 - 6 kl per kl - subsidised					11.50%
W1B13	7 - 18 kl per kl	3.62	4.13	3.25	3.71	6.00%
W1B14	19 - 30 kl per kl	9.12	10.39	8.60	9.80	6.00%
W1B15	31 - 45 kl per kl	14.79	16.86	13.95	15.90	6.00%
W1B16	46 - 60 kl per kl	22.76	26.95	21.48	24.48	6.00%
W1B17	>60 kl per kl	29.57	33.71	27.90	31.81	6.00%
W1B18	Restriction Tariff (level 1 restrictions)	39.43	44.95	37.20	42.40	6.00%
W1B19	0 - 6 kl per kl - subsidised	4.71	5.37	4.23	4.82	11.37%
W1B20	7 - 18 kl per kl	11.85	13.51	11.18	12.74	6.05%
W1B21	19 - 30 kl per kl	19.22	21.91	18.13	20.67	6.03%
W1B22	31 - 45 kl per kl	29.59	33.74	27.92	31.83	5.98%
W1B23	46 - 60 kl per kl	38.45	43.83	36.27	41.35	6.00%
W1B24	>60 kl per kl	51.25	58.43	48.35	55.12	6.00%
W1B25	Restriction Tariff (level 2 restrictions)					11.39%
W1B26	0 - 6 kl per kl - subsidised	5.80	6.61	5.21	5.94	6.08%
W1B27	7 - 18 kl per kl	14.59	16.63	13.75	15.68	6.05%
W1B28	19 - 30 kl per kl	23.66	26.97	22.31	25.43	6.00%
W1B29	31 - 45 kl per kl	36.42	41.52	34.36	39.17	6.00%
W1B30	46 - 60 kl per kl	47.32	53.94	44.64	50.89	6.00%
W1B31	>60 kl per kl	63.08	71.91	59.51	67.84	6.00%
W1B32	Restriction Tariff (level 3 restrictions)					11.33%
W1B33	0 - 6 kl per kl - subsidised	7.25	8.26	6.51	7.42	6.06%
W1B34	7 - 18 kl per kl	18.23	20.78	17.19	19.60	6.00%
W1B35	>18 kl per kl	78.85	89.89	74.39	84.80	
W1C	CONSUMPTION - ALL OTHER					
W1C1	Normal Tariff					11.50%
W1C2	0 - 18 kl per kl	9.59	10.93	8.60	9.80	6.00%
W1C3	19 - 30 kl per kl	14.79	16.86	13.95	15.90	6.00%
W1C4	31 - 45 kl per kl	22.76	26.95	21.48	24.48	6.00%
W1C5	46 - 60 kl per kl	29.57	33.71	27.90	31.81	6.00%
W1C6	>60 kl per kl	39.43	44.95	37.20	42.40	6.00%
W1C7	Restriction Tariff (level 1 restrictions)					11.55%
W1C8	0 - 18 kl per kl	12.47	14.21	11.18	12.74	6.03%
W1C9	19 - 30 kl per kl	19.22	21.91	18.13	20.67	5.99%
W1C10	31 - 45 kl per kl	29.59	33.74	27.92	31.83	6.00%
W1C11	46 - 60 kl per kl	38.45	43.83	36.27	41.35	6.01%
W1C12	>60 kl per kl	51.25	58.43	48.35	55.12	
W1C13	Restriction Tariff (level 2 restrictions)					11.58%
W1C14	0 - 18 kl per kl	15.34	17.49	13.75	15.68	

WATER TARIFFS

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Tariff Code	Detail	2015/2016		2014/2015		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
W1C12	19 - 30 kl per kl	23.66	26.97	22.31	25.43	1.06
W1C13	31 - 45 kl per kl	36.42	41.52	34.36	39.17	1.10
W1C14	46 - 60 kl per kl	47.32	53.94	44.64	50.80	6.05%
W1C15	>60 kl per kl	63.08	71.91	59.51	67.84	6.00%
Restriction Tariff (level 3 restrictions)						
W1C16	0 - 10 kl per kl	19.18	21.86	17.19	19.60	11.56%
W1C17	>10 kl per kl	78.85	89.89	74.39	84.80	6.00%
OTHER CONSUMERS						
W1D1	Departmental per kl	13.95	15.90	13.95	15.90	0.00%
W1D2	Fire Hoses: Basic per Month	137.99	157.30	130.18	148.40	0.00%
W1D3	Bulk usage (Unconnected to network) per kl	11.16	12.72	11.16	12.72	0.00%
W1D4	Kid Bookie (Van Cauter 0 - 8000kl per year)	0.08	0.09	0.08	0.09	0.00%
W1D5	Omnes Small Holdings tariff 2 (Van Cauter)	0.08	0.09	0.08	0.09	0.00%
W1D6	Omnes Small Holdings tariff 4 (Per agreement)	1.05	1.20	1.05	1.20	0.00%
W1E4S	Contractors water consumption - temporary connection	13.95	15.90	13.95	15.90	0.00%
WET COMMERCIAL, SPORT, PARKS etc (must apply for this tariff)						
Normal Tariff						
W1E1	0 - 500kl per kl	13.95	15.90	13.95	15.90	0.00%
W1E2	501 - 1000kl per kl	22.18	25.28	20.92	23.85	0.00%
W1E3	>1000kl per kl	29.57	33.71	27.90	31.81	6.00%
Restriction Tariff (level 1 restrictions)						
W1E4	0 - 300kl per kl	18.14	20.67	18.13	20.67	0.03%
W1E5	301 - 700kl per kl	28.83	32.86	27.20	31.01	5.98%
W1E6	>700kl per kl	38.45	43.83	36.27	41.34	6.01%
Restriction Tariff (level 2 restrictions)						
W1E7	0 - 250kl per kl	22.32	25.44	22.32	25.44	0.00%
W1E8	251 - 500kl per kl	35.48	40.45	33.48	38.16	5.99%
W1E9	>500kl per kl	47.32	53.94	44.64	50.88	6.01%
Restriction Tariff (level 3 restrictions)						
W1E10	0 - 100kl per kl	27.90	31.81	27.90	31.81	0.00%
W1E11	>100 kl per kl	59.15	67.43	55.79	63.60	6.02%
WET INDUSTRY (Marine etc. must apply for this tariff) (Average of 100kl per day over previous 365 days)						
Normal Tariff						
W1F1	0 - 5800kl per kl	14.53	16.56	13.03	14.85	11.50%
W1F2	>5800kl per kl	29.57	33.71	27.90	31.81	6.00%
Restriction Tariff (level 1 restrictions)						
W1F3	0 - 5800kl per kl	18.89	21.53	16.94	19.31	11.49%
W1F4	>5800kl per kl	38.45	43.83	36.27	41.35	6.00%
Restriction Tariff (level 2 restrictions)						
W1F5	0 - 5800kl per kl	23.25	26.50	20.85	23.77	11.49%
W1F6	>5800kl per kl	47.32	53.94	44.64	50.89	6.00%
Restriction Tariff (level 3 restrictions)						

OVERSTRAND MUNICIPALITY

WATER TARIFFS

Tariff Code	Detail	2015/2016		2014/2015		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
W1F7	0 - 5 800kl per kl					1.06
W1F8	>5 800 kl per kl	29.06	33.12	26.06	29.71	1.10
W2A	AVAILABILITY CHARGES	59.15	67.43	55.79	63.60	11.50%
W2A1	Overstrand per month					6.02%
W2A2	Farms connected to water pipe line					6.00%
W2J	REBATES (This can be granted by the Municipal Manager after application) refer to Policy # 6.8.1					6.00%
W2J1	kl above average - per kl	13.95	15.90	13.95	15.90	0.00%
W3A	IRRIGATION WATER ("LEI WATER") & RAW WATER					6.00%
W3A1	Use and pump water (60-90 min) per annum Stanford	225.72	257.32	212.94	242.75	6.00%
W3A2	Pearly Beach Small Holdings: Basic	40.40	46.05	36.11	43.45	6.00%
W3A3	Pearly Beach Small Holdings: Consumption 0- 70 kl per kl	3.16	3.60	2.98	3.40	6.00%
W3A4	Pearly Beach Small Holdings: Consumption >70 kl per kl	7.39	8.42	6.97	7.95	6.00%
W3A5	Others	3.16	3.60	2.98	3.40	6.00%
W3A6	Farm 1/722 Stanford as per agreement 1.75% of raw water abstraction from municipal boreholes, maximum 8760 k/a	0.00	0.00	0.00	0.00	0.00%
W3B	IRRIGATION WATER - (TREATED EFFLUENT)					6.00%
W3B2	Hermanus Golf Club per month	35 975.44	41 012.00	33 938.60	38 690.00	6.88%
W3B3	All other per kl	2.02	2.30	1.89	2.15	6.88%
W3B4	Schools, municipal sports grounds & project sport grounds as per agreement		no charge	no charge	no charge	10.00%
W3B5	Curro Holdings - 250kl free per day as per deed of sale	2.02	2.30	1.89	2.15	
W4	SUNDRY CHARGES					
W4A1	Testing of a Meter (Call-out Fee incl)(Conditionally refundable)	723.60	825.00	657.90	750.00	10.26%
W4A2	Testing of a Meter (Ind/Bulk Meter)(Conditionally refundable)					10.26%
W4A3	Disconnection	328.07	374.00	297.54	339.20	10.26%
W4A4	Reconnection	328.07	374.00	297.54	339.20	10.26%
W4A5	Reconnection After Normal Working Hours	656.14	748.00	595.09	678.40	10.19%
W4A6	Administration fee - recalculation due to no meter access	128.07	146.00	116.23	132.50	10.51%
W4A7	Verification of a Meter Reading	179.83	205.00	162.72	185.50	10.26%
W4A8	Final and Special Readings	164.04	187.00	148.77	169.60	10.26%
W4A9	Call-out Fee - Normal Working Hours	328.07	374.00	297.54	339.20	10.26%
W4A10	Call-out Fee - After Hours	656.14	748.00	595.09	678.40	10.06%
W4A11	Registration of Borehole (Including inspection fee)	245.61	280.00	223.16	254.40	9.99%
W4A12	Repositioning of Meter (excl. pipe)	721.05	822.00	655.53	747.30	10.03%
W4A13	Convert to Water Flow Restrictor Meter	2 348.25	2 677.00	2 134.21	2 433.00	10.00%
W4A14	Temporary Connections - Deposit	6 180.00	no vat	5 618.00	no vat	10.00%
W4A15	Temporary Connection - Usage per kl	11.58	13.20	10.53	12.00	10.00%
W4A16	Damage of Water Meter					
W4A17	Damage of Watermain					
W4A18	Damage of Service Connection (including water meter)					

WATER TARIFFS

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
W5	REMEDIAL ACTION FEE (TAMPERING)				
WSA1	1st Offence				
WSA2	2nd Offence				
W6	CONNECTION FEE				
WSA1	20 mm Connection Conventional Meter	4 014.91	4 577.00	3 650.00	4 161.00
WSA2	20 mm Connection Water Flow Restrictor Meter	4 788.42	5 436.00	4 335.09	4 942.00
WSA3	Other Connections	Actual cost plus 15%	Applicable vat	Actual cost plus 15%	Applicable vat
WSA4	Connections (Erf Boundary - by Developer)	1 043.88	1 190.00	949.12	1 082.00
W7	BULK SERVICES DEVELOPMENT FEES				
Development Contributions will be determined as set out in the Annexure in respect of Development Contribution Policy					

1.06
1.10
10.00%

10.00%
10.00%
9.98%



OVERSTRAND MUNICIPALITY

ANNEXURE TO WATER TARIFFS

ALLOCATION OF RUE's TO CATEGORIES OF CONSUMERS – 2015/16

Clinics – Out patients	0 1 RUE
Flats	0 1 RUE per unit
Guest houses and B & B's	0 1 RUE
Household related consumers that do not fall in one of the above household consumer categories	0 Upon application the Engineering & Financial Departments will assess the validity within the tariff's structural framework.
Old Age Homes, Hostels & Boarding School	0 1 RUE per 7 Beds
Retirement Villages, Hospital & Hospice	0 1 RUE per 1 residential unit 0 1 RUE per 7 Beds
Single Residential erven	0 1 RUE
Townhouse and group developments	0 1 RUE per unit



RUE = Residential Unit Equivalent

OVERSTRAND MUNICIPALITY
TARIFFS FOR RESORTS FOR THE 2015/2016 FINANCIAL YEAR
All tariffs include Value Added Tax (VAT) – Where applicable

A deposit of 50% of the total amount payable is applicable to secure the booking. On cancellation of the booking, an admin fee of 15% will be deducted from the deposit. On cancellation of the booking less than 14 days prior to the commencement of the holiday, the deposit **will not** be paid back.

NOTE:

All tariffs include Value Added Tax (VAT) – Where applicable

PALMIET & KLEINMOND CARAVAN PARKS (Vote number 1 011 0260 255 & 1 011 0261 255)									
SEASON	PERIOD	A Stands		B Stands		C Stands		A Stands	
		2015/2016		2014/2015		2015/2016		2014/2015	
		Per Day	Per Day	Per Day	Per Day	Per Day	Per Day	Per Day	Per Day
High Season	1 December – 31 January & Easter Weekend	R363.00	R279.00	R279.00	R255.00	R330.00	R253.00	R231.00	
Low Season	1 February – 30 November (Excluding Easter Weekend)	R200.00	R170.00	R170.00	R158.00	R182.00	R154.00	R143.00	

• Plus: All stands with the availability of electricity = R36.00 per stand per day.
 • The above tariffs include for up to four (4) persons and one vehicle with one trailer or caravan or small boat per day.
 • Additional persons up to a maximum of two (2)* = R52.00 per person per day.
 • Additional vehicle or small trailer or small boat to maximum of 2 units = R28.00 per unit per day.
 • Day visitors for campers up to a maximum of four (4)* = R52.00 per person per day and R39.00 for a vehicle.
 • (*) **Special arrangements must be made with the Camp Manager to allow day visitors**
 • Children under two (2) years are free and children under twelve (12) years at half price.
 • Low Season: Pensioners, Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers (Pensioners to be defined as persons sixty (60) years and older)
 • ❖ may get a discount of 50% on the stands;
 • ❖ Quality for a reduced tariff of R2,433.00 for a period of 30 days.
 • Gate Card / Key Deposit R132.00 per set (refundable).
 • Long Term rental R770.00 per month plus R176.00 per month for Electricity.



KLEINMOND - FRANK ROBB HUT			
	2015/2016		2014/2015
	Per Day	Per Day	Per Day
Camping per person (max 10 persons) per day	R85.00		R77.00

**OVERSTRAND MUNICIPALITY
TARIFFS FOR RESORTS FOR THE 2015/2016 FINANCIAL YEAR**

ONRUS CARAVAN PARK - PLETT HOUSE		
	2015/2016	2014/2015
High Season	1 December – 31 January & Easter Weekend	R400.00 NEW
Low Season	1 February – 30 November (Excluding Easter Weekend)	R250.00 NEW

ONRUS CARAVAN PARK (Vote number 1 01 0263 255)							
SEASON	PERIOD	A Stands		B Stands		C Stands	
		Per Day	2015/2016	Per Day	2014/2015	Per Day	Per Day
High Season	1 December – 31 January & Easter Weekend	R396.00	R304.00	R278.00	R330.00	R253.00	R231.00
Low Season	1 February – 30 November (Excluding Easter Weekend)	R219.00	R185.00	R172.00	R182.00	R154.00	R143.00

• Plus: All stands with the availability of electricity = R36.00 per stand per day.

• The above tariffs include for up to four (4) persons and 1 vehicle with one trailer or caravan or small boat per day.

• Additional persons up to a maximum of two (2)* = R57.00 per person per day.

• Additional vehicle or small trailer or small boat to maximum of two (2) units = R30.00 per unit per day.

• Children under two (2) years are free and children under twelve (12) years at half price.

• Daily Functions (pre-arrangement) = R146.00 per day

• Long Term Rental = R 13,482.00 pa plus the following:

- Pergola with covering = R 113.00 pm (R1,356.00 pa)
- Water tap = R 24.00 pm (R288.00 pa)
- Structure for storing purposes = R 24.00 pm (R288.00 pa)
- Permanent fireplace structure = R 24.00 pm (R288.00 pa)
- Electricity per stand = R 75.00 pm (R900.00 pa)

• Low Season: Pensioners, Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers (Pensioners to be defined as persons sixty (60) years and older)

❖ may get a discount of 50% on the stands;

❖ qualify for a reduced tariff of R2,654.00 for a period of 30 days

Full 30 day Rental = R3,888.00

Gate Card / Key Deposit: R132.00 per set (refundable).



**OVERSTRAND MUNICIPALITY
TARIFFS FOR RESORTS FOR THE 2015/2016 FINANCIAL YEAR**

GANSBAAL CARAVAN PARK (Vote number 1 01 0266 255)						
SEASON	PERIOD	2015/2016			2014/2015	
		A Stands	B Stands	C Stands	A Stands	B Stands
		Per Day	Per Day	Per Day	Per Day	Per Day
High Season	1 December – 31 January & Easter Weekend	R242.00	R200.00	R170.00	R220.00	R182.00
Low Season	1 February – 30 November (Excluding Easter Weekend)	R182.00	R170.00	R158.00	R165.00	R154.00

• The above tariffs include for up to four (4) persons and one vehicle with one trailer or caravan or small boat.
 • Additional persons up to a maximum of two (2) = R52.00 per person per day.
 • Additional vehicle or small trailer or small boat = R37.00 per unit per day.
 • Day visitors for campers up to a maximum of four (4) = R39.00 per person per day.
 • Children under two (2) years are free and children under twelve (12) years at half price.
 • Long Term Rental = R 7,140.00 pa. (Vote number 1 01 0266 257)
 • Low Season: Pensioners, Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers may get a discount of 50% on the stands.
 (Pensioners to be defined as persons sixty (60) years and older).

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HAWSTON DAY CAMPING SITE (Vote Number 1 01 0262 255)						
ITEM	Low Season 01 February – 30 November (Excluding Easter Weekend)	2015/2016		High Season 01 December – 31 January & Easter Weekend	2014/2015	
		Per Day	Per Day		Low Season 01 February – 30 November (Excluding Easter Weekend)	High Season 01 December – 31 January & Easter Weekend
Camping Sites						
Picnic Fees : Per Vehicle (excluding buses > 20 seats) + persons		R82.00	R170.00		R 83.00	R 154.00
: Per Bus > 20 seats + persons		R12.00	R12.00		R 11.00	R 11.00
Adults (per person)		R146.00	R146.00		R 132.00	R 132.00
Children (per child < 12)		R12.00	R12.00		R 11.00	R 11.00
		R3.50	R4.50		R 3.00	R 4.00

The above tariffs include for up to six (6) persons and 1 vehicle with one trailer or caravan or small boat.
 Additional vehicle or small trailer or small boat = R37.00 per unit per day.
 Events – partial or whole day camp site, per day or portion of the day = R485.00 per day.
 Events – community based – partial or whole day camp site, per day or portion of the day = R121.00.
 Low Season: Pensioners, Caravan Clubs more than 10 caravans Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers may get a discount of 50% on the stands. (Pensioners to be defined as persons sixty (60) years and older).



OVERSTRAND MUNICIPALITY
DEVELOPMENT CONTRIBUTION POLICY 2015/2016
(Attachment to the Tariff Schedule)

1. The developer will be responsible for the payment of development contributions in accordance with the relevant legislation and as determined by Council.

The calculation methodology as listed below will generally be used as a guideline to determine the development contributions. The Council may deviate from this guideline in accordance with the relevant legislation particularly where large developments with significant impact on services are being processed.

The developer may be required by the council to provide bulk services in lieu or in part of the payment of development contributions. The Council may revise the Development Contribution Policy at any stage.

2. Gap Housing:

Municipal land made available by the Municipality for the purposes of housing specific with reference to the GAP market for households with an income between R 3501 – R 18 000 per month.

- Gap Housing 50% of Standard

3. Government Subsidised Housing:

Low Cost Housing Projects funded by the Department of Human Settlements.

- Government Subsidised Housing 0% Development Contribution

4. High Density Units:

High and Medium density Residential Developments for example flats, town houses, retirement units, etc.

- High Density Units up to 2 bed rooms (R/Unit) 50% of Standard
- High Density Units more than 2 bed rooms (R/Unit) 75% of Standard

5. Second Dwellings

- No development contribution will be applicable as long as the normal standard water, electricity and sewerage connections for single units are used. If upgraded connections are required, the normal development contributions listed in paragraph 6 below will be applicable.



OVERSTRAND MUNICIPALITY
DEVELOPMENT CONTRIBUTION POLICY 2015/2016
(Attachment to the Tariff Schedule)

6. DEVELOPMENT CONTRIBUTION TARIFF LIST

Tariff Code	Detail	2015/2016		2014/15		1.06
		Exclude VAT R	Include VAT R	Exclude VAT R	Include VAT R	
DC1	WATER					
DC1A	Standard Fee per Equivalent Unit	21,799.12	24,851.00	20,564.91	23,444.00	1,407.00 6.00%
DC2	ELECTRICITY					
DC2A	Sub Division of Existing Erf					
DC2A1	Single Phase 60 AMP (5 kVA) Domestic X Tariff E15A1 = PIERF PLUS STANDARD CONNECTION FEES	26,489.30	30,197.80	24,966.67	28,462.00	1,707.99 6.00%
DC2B	New Developments					
DC2B1	Standard fee per Single Phase Domestic erf - infrastructure provide by developer (13.8 kVA x E15A2 x.36)	15,836.05	18,053.10	14,285.18	16,285.11	977.89 6.00%
DC2B2	Standard fee per Three Phase Domestic erf - infrastructure provide by developer (42kVA x E15A2x.36)	48,196.66	54,944.19	43,476.65	49,563.38	2,574.62 6.00%
DC2C	MV/LV Bulk Supply with metering point cost / kVA= Tariff E15A2	3,187.61	3,633.88	2,797.37	3,189.00	192.00 6.02%
DC2C1	LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3	4,060.19	4,628.62	3,975.44	4,532.00	272.00 6.00%
DC3	SEWERAGE					
DC3A	Standard Fee per Equivalent Unit	17,495.61	19,945.00	16,505.26	18,816.00	1,129.00 6.00%
DC4	ROADS & STORMWATER					
DC4A	Standard Fee per Equivalent Unit	5,701.75	6,500.00	5,378.95	6,132.00	367.99 6.00%
DC5	OFF-GRID DEVELOPMENT/UNITS					
DC5A	As per signed agreement as recommended by the Director: Infrastructure and Planning and approval by the Municipal Manager	as per agreement	applicable VAT	as per agreement	applicabl e VAT	

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OVERSTRAND MUNICIPALITY
DEVELOPMENT CONTRIBUTION POLICY 2015/2016
(Attachment to the Tariff Schedule)

DC6	EVALUATION/INVESTIGATION LEVIES are payable OVER and ABOVE the Bulk Service Levies					
DC6A	Water					
	No. of Equivalent units					
	1 -	4	No Charge	No Charge	No Charge	No Charge
DC6A1	5 -	10	5,923.68	6,753.00	5,587.72	6,370.00
DC6A2	11 -	25	9,921.93	11,311.00	9,359.85	10,670.00
DC6A3	26 -	50	13,920.18	15,869.00	13,131.58	14,970.00
DC6A4	51 -	100	15,844.74	18,063.00	14,947.37	17,040.00
DC6A5	101 -	250	17,757.90	20,244.00	16,752.63	19,038.00
DC6A6	251 -	500	20,800.00	23,712.00	19,621.93	22,369.00
DC6A7	501 -	2000	23,362.28	26,633.00	22,039.47	25,125.00
DC6A8	2000 -	5000	27,997.37	31,917.00	26,412.28	30,110.00
DC6A10	> 5001		31,995.61	36,475.00	30,184.21	34,410.00
DC6E	Sanitation					
	No. of Equivalent units					
	1 -	4	No Charge	No Charge	No Charge	No Charge
DC6E1	5 -	10	6,278.95	7,158.00	5,922.81	6,752.00
DC6E2	11 -	25	10,517.54	11,990.00	9,921.93	11,311.00
DC6E3	26 -	50	14,756.14	16,822.00	13,920.18	15,869.00
DC6E4	51 -	100	16,795.61	19,147.00	15,844.74	18,063.00
DC6E5	101 -	250	18,823.68	21,459.00	17,757.90	20,244.00
DC6E6	251 -	500	22,048.25	25,135.00	20,800.00	23,712.00
DC6E7	501 -	2000	24,764.04	28,231.00	23,362.28	26,633.00
DC6E8	2000 -	5000	29,678.07	33,833.00	27,997.37	31,917.00
DC6E10	> 5001		33,915.79	38,664.00	31,995.61	36,475.00

335.96 6.01%
552.28 6.01%
788.59 6.01%
897.37 6.00%
1,005.27 6.00%
1,178.07 6.00%
1,322.81 6.00%
1,585.09 6.00%
1,811.40 6.00%

356.14 6.01%
595.61 6.00%
835.97 6.01%
950.87 6.00%
1,065.79 6.00%
1,248.25 6.00%
1,401.76 6.00%
1,680.70 6.00%
1,920.18 6.00%

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ANNEXURE D

TARIFF BASKETS



OVERSTRAND MUNICIPALITY

MONTHLY BASKET OF TARIFFS - SINGLE RESIDENTIAL 2015/16

		Year	Year	Increase/Decrease	
		2014/2015	2015/2016	Amount	%
High Consumption with credit elect meter					
Valuation	R3 500 000				
Rates		952.20	1 017.43	65.23	6.85
Sewer	SE7A1+SE8A	450.24	477.41	27.17	6.03
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	1X Per Week	130.18	137.99	7.81	6.00
Water	50 kl	854.08	906.31	52.23	6.12
VAT		206.67	218.88	12.21	5.91
SUB TOTAL		2 635.07	2 799.71	164.65	6.25
Electricity Credit Meter	1500 kWh	2 275.75	2 540.70	264.95	11.64
VAT		318.60	355.70	37.09	11.64
TOTAL		5 229.42	5 340.41	429.60	8.22
HPP if applicable		95.22	101.74	6.52	6.85
High Consumption with prepaid elect meter					
Valuation	R3 500 000				
Rates		952.20	1 017.43	65.23	6.85
Sewer	SE7A1+SE8A	450.24	477.41	27.17	6.03
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	1X Per Week	130.18	137.99	7.81	6.00
Water	50 kl	854.08	906.31	52.23	6.12
VAT		206.67	218.88	12.21	5.91
SUB TOTAL		2 635.07	2 799.71	164.65	6.25
Electricity Prepaid Meter	1500 kWh	2 176.66	2 429.52	252.87	11.62
VAT		304.73	340.13	35.40	11.62
TOTAL		5 116.45	5 569.37	452.91	8.85
HPP if applicable		95.22	101.74	6.52	6.85
Medium Consumption with credit elect meter					
Valuation	R2 500 000				
Rates		676.20	722.52	46.32	6.85
Sewer	SE7A1+SE8A	270.69	287.01	16.32	6.03
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	1X Per Week	130.18	137.99	7.81	6.00
Water	25 kl	322.63	343.11	20.48	6.35
VAT		107.13	113.37	6.25	5.83
SUB TOTAL		1 548.53	1 645.70	97.18	6.28
Electricity Credit Meter	800 kWh	1 178.85	1 309.98	131.13	11.12
VAT		165.04	183.40	18.36	11.12
TOTAL		2 892.41	3 139.08	246.67	8.53
HPP if applicable		67.62	72.25	4.63	6.85
Medium Consumption with prepaid elect meter					
Valuation	R2 500 000				
Rates		676.20	722.52	46.32	6.85
Sewer	SE7A1+SE8A	270.69	287.01	16.32	6.03
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	1X Per Week	130.18	137.99	7.81	6.00
Water	25 kl	322.63	343.11	20.48	6.35
VAT		107.13	113.37	6.25	5.83
SUB TOTAL		1 548.53	1 645.70	97.18	6.28
Electricity Prepaid Meter	800 kWh	1 122.32	1 246.55	124.24	11.07
VAT		157.12	174.52	17.39	11.07
TOTAL		2 827.97	3 066.77	238.81	8.44
HPP if applicable		67.62	72.25	4.63	6.85

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OVERSTRAND MUNICIPALITY

Low Consumption with credit meter

	Valuation	R1 000 000	2014/2015	2015/2016	Amount	%
Rates			262.20	280.16	17.96	6.85
Sewer	SE7A1+SE8A		198.87	210.85	11.98	6.02
Infrastructure Basic Charge Water, Electricity & Sewer			41.70	41.70	0.00	0.00
Refuse	1X Per Week		130.18	137.99	7.81	6.00
Water	15 kl		199.18	212.22	13.04	6.55
VAT			79.79	84.39	4.60	5.76
SUB TOTAL			911.92	967.31	55.39	6.07
Electricity Credit Meter	600 kWh		865.45	958.34	92.90	10.73
VAT			121.16	134.17	13.01	10.73
TOTAL			1 898.53	2 059.82	161.29	8.50
<i>HPP if applicable</i>			26.22	28.02	1.80	6.85

Low Consumption with prepaid elect meter

	Valuation	R1 000 000	2014/2015	2015/2016	Amount	%
Rates			262.20	280.16	17.96	6.85
Sewer	SE7A1+SE8A		198.87	210.85	11.98	6.02
Infrastructure Basic Charge Water, Electricity & Sewer			41.70	41.70	0.00	0.00
Refuse	1X Per Week		130.18	137.99	7.81	6.00
Water	15 kl		199.18	212.22	13.04	6.55
VAT			79.79	84.39	4.60	5.76
TOTAL			911.92	967.31	55.39	6.07
Electricity Prepaid Meter	600 kWh		821.08	908.56	87.48	10.65
VAT			114.95	127.20	12.25	10.65
			1 847.94	2 003.07	155.12	8.39
<i>HPP if applicable</i>			26.22	28.02	1.80	6.85

Low Consumption with credit meter

	Valuation	R1 000 000	2014/2015	2015/2016	Amount	%
Rates			262.20	280.16	17.96	6.85
Sewer	SE7A1+SE8A		198.87	210.85	11.98	6.02
Infrastructure Basic Charge Water, Electricity & Sewer			41.70	41.70	0.00	0.00
Refuse	1X Per Week		130.18	137.99	7.81	6.00
Water	15 kl		199.18	212.22	13.04	6.55
VAT			79.79	84.39	4.60	5.76
SUB TOTAL			911.92	967.31	55.39	6.07
Electricity Credit Meter	350 kWh		540.42	593.66	53.24	9.85
VAT			75.66	83.11	7.45	9.85
TOTAL			1 528.00	1 644.09	116.09	7.60
<i>HPP if applicable</i>			26.22	28.02	1.80	6.85

Low Consumption with prepaid elect meter

	Valuation	R1 000 000	2014/2015	2015/2016	Amount	%
Rates			262.20	280.16	17.96	6.85
Sewer	SE7A1+SE8A		198.87	210.85	11.98	6.02
Infrastructure Basic Charge Water, Electricity & Sewer			41.70	41.70	0.00	0.00
Refuse	1X Per Week		130.18	137.99	7.81	6.00
Water	15 kl		199.18	212.22	13.04	6.55
VAT			79.79	84.39	4.60	5.76
SUB TOTAL			911.92	967.31	55.39	6.07
Electricity Prepaid Meter	350 kWh		514.80	564.92	50.12	9.74
VAT			72.07	79.09	7.02	9.74
TOTAL			1 498.79	1 611.32	112.52	7.51
<i>HPP if applicable</i>			26.22	28.02	1.80	6.85



OVERSTRAND MUNICIPALITY

Sub-Economic Consumption (Indigent)

Valuation	2014/2015	2015/2016	Amount	%
R220 000				
Rates	46.92	50.13	3.21	6.85
Sewer SE7A1	28.73	30.46	1.74	6.04
Infrastructure Basic Charge Water, Electricity & Sewer	41.70	41.70	0.00	0.00
Refuse 1X Per Week	0.00	0.00	0.00	0.00
Water 10 kl	34.40	36.48	2.08	6.05
VAT	14.68	15.21	0.53	3.64
SUB TOTAL	166.42	173.99	7.56	4.55
Electricity Prepaid Meter 350 kWh	310.24	348.09	37.65	12.20
VAT	43.43	48.73	5.30	12.20
TOTAL	520.10	570.81	50.71	9.75

Life-Line Consumption (ONE PART) (Indigent)

Valuation	2014/2015	2015/2016	Amount	%
R50 000				
Rates	0.00	0.00	0.00	0.00
Sewer SE7A1	14.36	15.23	0.87	6.04
Infrastructure Basic Charge Water, Electricity & Sewer	41.70	41.70	0.00	0.00
Refuse 1X Per Week	0.00	0.00	0.00	0.00
Water 8 kl	17.20	18.24	1.04	6.05
VAT	10.26	10.52	0.27	2.60
SUB TOTAL	83.52	85.70	2.18	2.60
Electricity Pre-paid 300 kWh	263.70	295.87	32.17	12.20
VAT	36.92	41.42	4.50	12.20
TOTAL	384.14	422.99	38.85	10.11

Conservancy Tanks

If tariff SE7 is not applicable

	2014/2015	2015/2016	Amount	%
Smaller than 6kl	419.30	444.46	25.16	6.00
Greater than 6kl	419.30	444.46	25.16	6.00
Outside urban area Plus per km	12.28	13.02	0.74	6.03
Plus Per hour	251.75	266.86	15.11	6.00
After hours				
Smaller than 6kl	838.60	888.92	50.32	6.00
Greater than 6kl	838.60	888.92	50.32	6.00

Sub-Economic Consumption (Indigent)

Valuation	2014/2015	2015/2016	Amount	%
R50 000				
Rates	0.00	0.00	0.00	0.00
Sewer SE7A1	0.00	0.00	0.00	0.00
Infrastructure Basic Charge Water, Electricity & Sewer	41.70	41.70	0.00	0.00
Refuse 1X Per Week	0.00	0.00	0.00	0.00
Water 6 kl	0.00	0.00	0.00	0.00
VAT	5.84	5.84	0.00	0.00
SUB TOTAL	47.54	47.54	0.00	0.00
Electricity Prepaid Meter 150 kWh	132.96	149.18	16.22	12.20
VAT	18.61	20.89	2.27	12.20
TOTAL	199.11	217.60	18.49	9.29



MONTHLY BASKET OF TARIFFS - BUSINESS 2015/2016

FROM SEPTEMBER TO MAY (PREVIOUSLY OFF PEAK)

Business - Large (Time of Use)		2014/2015	2015/2016	Amount	%
Valuation	R35 000 000				
Rates		18 287.50	19 540.19	1 252.69	6.85
Sewer	SE7D1+SE8A 30	6 981.84	7 402.62	420.78	6.03
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	Bins 2X Per Week 30	7 810.72	8 279.40	468.68	6.00
Water	460 kl	16 045.18	17 015.47	970.29	6.05
VAT		4 323.12	4 583.49	260.37	6.02
SUB TOTAL		53 490.06	56 862.87	3 372.81	6.31
Electricity Credit Meter	108751 + 436kVA	80 530.05	101 772.30	21 242.25	26.38
VAT		11 274.21	14 248.12	2 973.92	26.38
TOTAL		145 294.31	172 883.29	27 588.98	18.99
<i>HPP if applicable</i>		1 828.75	1 954.02	125.27	6.85

FROM JUNE TO AUGUST (PREVIOUSLY HIGH DEMAND)

Business - Large (Time of Use)		0.00	0.00	Amount	%
Valuation	R35 000 000				
Rates		18 287.50	19 540.19	1 252.69	6.85
Sewer	SE7D1+SE8A 30	6 981.84	7 402.62	420.78	6.03
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	Bins 2X Per Week 30	7 810.72	8 279.40	468.68	6.00
Water	460 kl	16 045.18	17 015.47	970.29	6.05
VAT		4 323.12	4 583.49	260.37	6.02
SUB TOTAL		53 490.06	56 862.87	3 372.81	6.31
Electricity Credit Meter	108751 + 436kVA	158 429.25	101 772.30	-56 656.95	-35.76
VAT		22 180.10	14 248.12	-7 931.97	-35.76
TOTAL		234 099.40	172 883.29	-61 216.11	-26.15
<i>HPP if applicable</i>		1 828.75	1 954.02	125.27	6.85

IMPORTANT TO NOTE:

Off peak 26% x 9 maande

High Demand -35% x 3 maande

Business - Medium (Three Phase)

Business - Medium (Three Phase)		2014/2015	2015/2016	Amount	%
Valuation	R3 200 000				
Rates		1 672.00	1 786.53	114.53	6.85
Sewer	SE7D1+SE8A 1	460.50	488.29	27.79	6.03
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	1X Per Week 3	390.54	413.97	23.43	6.00
Water	40 kl	639.28	686.12	46.84	7.33
VAT		214.48	228.21	13.73	6.40
SUB TOTAL		3 418.50	3 644.82	226.33	6.62
Electricity Credit Meter	7000 kWh	9 733.12	10 895.20	1 162.08	11.94
VAT		1 362.64	1 525.33	162.69	11.94
TOTAL		14 514.25	16 065.35	1 551.09	10.69
<i>HPP if applicable</i>		167.20	178.65	11.45	6.85

Business - Small (Three Phase)

Business - Small (Three Phase)		2014/2015	2015/2016	Amount	%
Valuation	R3 200 000				
Rates		1 672.00	1 786.53	114.53	6.85
Sewer	SE7D1+SE8A 1	460.50	488.29	27.79	6.03
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	1X Per Week 2	260.36	275.98	15.62	6.00



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OVERSTRAND MUNICIPALITY

Water	40 kl	639.28	686.12	46.84	7.33
VAT		196.26	208.89	12.64	6.44
SUB TOTAL		3 270.09	3 487.51	217.42	6.65
Electricity Credit Meter	4000 kWh	5 737.12	6 411.69	674.57	11.76
VAT		803.20	897.64	94.44	11.76
TOTAL		9 810.41	10 796.84	986.43	10.05
<i>HPP if applicable</i>		167.20	178.65	11.45	6.85

Bussiness - Small (Three Phase)

	Valuation		2014/2015	2015/2016	Amount	%
Rates		R3 200 000	1 672.00	1 786.53	114.53	6.85
Sewer	SE7D1+SE8A	1	460.50	488.29	27.79	6.03
Infrastructure Basic Charge Water, Electricity & Sewer			41.70	41.70	0.00	0.00
Refuse	1X Per Week	2	260.36	275.98	15.62	6.00
Water	40 kl		639.28	686.12	46.84	7.33
VAT			196.26	208.89	12.64	6.44
SUB TOTAL			3 270.09	3 487.51	217.42	6.65
Electricity Credit Meter	1000 kWh		1 741.12	1 928.17	187.05	10.74
VAT			243.76	269.94	26.19	10.74
TOTAL			5 254.97	5 685.63	430.66	8.20
<i>HPP if applicable</i>			167.20	178.65	11.45	6.85



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MONTHLY BASKET OF TARIFFS - VACANT ERVEN 2015/2016

Valuation High		2014/2015	2015/2016	Amount	%
Valuation	R780 000				
Rates		367.90	393.10	25.20	6.85
Sewer can connect	Availability	109.65	116.23	6.58	6.00
Refuse	Availability	65.08	68.98	3.90	5.99
Electricity	Availability	204.56	216.83	12.27	6.00
Water	Availability	102.28	108.42	6.14	6.00
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
VAT		73.26	77.30	4.04	5.52
TOTAL		964.43	1 022.56	58.14	6.03
<i>HPP if applicable</i>		36.79	39.31	2.52	6.85
Valuation Average		2014/2015	2015/2016	Amount	%
Valuation	R250 000				
Rates		117.92	125.99	8.08	6.85
Sewer can connect	Availability	109.65	116.23	6.58	6.00
Refuse	Availability	65.08	68.98	3.90	5.99
Electricity	Availability	204.56	216.83	12.27	6.00
Water	Availability	102.28	108.42	6.14	6.00
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
VAT		73.26	77.30	4.04	5.52
TOTAL		714.44	755.46	41.01	5.74
<i>HPP if applicable</i>		11.79	12.60	0.81	6.85
Valuation Lower		2014/2015	2015/2016	Amount	%
Valuation	R110 000				
Rates		51.88	55.44	3.55	6.85
Sewer can connect	Availability	109.65	116.23	6.58	6.00
Refuse	Availability	65.08	68.98	3.90	5.99
Electricity	Availability	204.56	216.83	12.27	6.00
Water	Availability	102.28	108.42	6.14	6.00
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
VAT		73.26	77.30	4.04	5.52
TOTAL		648.41	684.90	36.49	5.63
Valuation Low		2014/2015	2015/2016	Amount	%
Valuation	R15 000				
Rates		7.08	7.56	0.48	6.85
Sewer can connect	Availability	109.65	116.23	6.58	6.00
Refuse	Availability	65.08	68.98	3.90	5.99
Electricity	Availability	204.56	216.83	12.27	6.00
Water	Availability	102.28	108.42	6.14	6.00
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
VAT		73.26	77.30	4.04	5.52
TOTAL		603.60	637.02	33.42	5.54



ANNEXURE E

CAPITAL BUDGET AND WARD PROJECTS



[illegible]

Area	Local Area	Ward	Project Description	Project Manager	Funding Source	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL
Overstrand	Overstrand	Overstrand	STORMWATER			400 000	2 475 500	2 875 500		1 000 000	1 000 000		1 000 000	1 000 000
	Overstrand	Ward 01	STORMWATER	J De Villiers	Surplus WSP	100 000	1 000 000	1 100 000						
	Overstrand	Ward 01	STORMWATER	J De Villiers	Surplus WSP	100 000	1 000 000	1 100 000						
	Overstrand	Ward 02	STORMWATER	J De Villiers	Surplus WSP	200 000	200 000	200 000						
	Overstrand	Ward 03	STORMWATER	J De Villiers	Surplus WSP	50 000	2 475 500	2 525 500		1 000 000	1 000 000		1 000 000	1 000 000
Overstrand	Overstrand	Overstrand	WASTE MANAGEMENT			10 000		10 000						
	Overstrand	Overstrand	MISC ASSETS SOLID WASTE DISPOSAL	P Burger	Surplus	10 000		10 000						
GRAND TOTAL						39 098 970	64 815 121	103 914 091	33 730 000	60 875 877	94 605 877	30 000 000	73 561 240	103 561 240
FUNDING:						39 098 970		39 098 970	39 000 000		39 000 000	30 000 000		30 000 000
EXTERNAL LOAN 47/8 (EXTERNAL CAPITAL)						1 875 000		1 875 000	1 875 000		1 875 000	3 750 000		3 750 000
SURPLUS CASH						3 465 000		3 465 000	3 465 000		3 465 000			
OPERATING CASH WSP						55 000		55 000						
SURPLUS WSP #OVER						1 558 374		1 558 374						
SURPLUS CASH #OVER						2 249 506		2 249 506						
EXTERNAL LOAN 47/8 #OVER						481 517		481 517						
PUBLIC CONTR SOLAR REBATE #OVER						21 417 000		21 417 000	22 126 000		22 126 000	22 126 000		22 126 000
MIS						8 000 000		8 000 000	8 000 000		8 000 000	8 000 000		8 000 000
REP						320 000		320 000						
LIBRARY						29 972 604		29 972 604	34 749 877		34 749 877	44 314 240		44 314 240
PROV-HOUSING						1 000 000		1 000 000						
LOTTO														
GRAND TOTAL						39 098 970	64 815 121	103 914 091	33 730 000	60 875 877	94 605 877	30 000 000	73 561 240	103 561 240



2015/2016 - R400 000 WARD PROJECTS

Town	Local Area	Ward	Project Description	TOTAL	PROJECT MANAGER
Gansbaai	Masakhane	1	Extension of community hall	150 000	F Myburgh
Gansbaai	Fkraai/Kb/Mkhane	1	Stormwater -Ad hoc	50 000	J De Villiers
Gansbaai	Masakhane	1	Sidewalks	100 000	F Myburgh
Gansbaai	Masakhane	1	Stormwater drainage channels - Phase 2	100 000	J De Villiers
				400 000	
Gansbaai	Gansbaai All	2	Stormwater	200 000	J De Villiers
Gansbaai	Gansbaai All	2	Repair/Replace/Refurbish Playpark equipment	80 000	F Myburgh
Gansbaai	Beverly Hills	2	Alterations to soup kitchen	10 000	F Myburgh
Gansbaai	Gansbaai	2	Greening of Main Street,Gansbaai(Phase 2)	30 000	F Myburgh
Gansbaai	Gb Mkhane,Kb	2	Beautification of intersection (Phase 2)	50 000	F Myburgh
Gansbaai	Gb Mkhane,Kb	2	Replacement of refuse bins	30 000	F Myburgh
				400 000	
Hermanus	Hermanus	3	Upgrading of Whale Tail Fountain	60 000	D Kearney
Hermanus	Hermanus	3	Upgrading of Cliff Path	100 000	D Kearney
Hermanus	Hermanus	3	Upgrading of Sidewalks	220 000	D Kearney
Hermanus	Hermanus	3	Sundials	20 000	D Kearney
				400 000	
Hermanus	Mount Pleasant	4	Upgrading of Mofiat Hall Kitchen	200 000	D Kearney
Hermanus	Westcliff	4	Play park -Westdene	100 000	D Kearney
Hermanus	Mount Pleasant	4	Building retaining wall around tennis court at mount pleasant sport grounds	100 000	D Kearney
				400 000	
Hermanus	Zwelihle	5	Flood lights for Zwelihle sports ground	100 000	D Kearney
Hermanus	Zwelihle	5	Building of boundary wall at Zwelihle sports ground	100 000	D Kearney
Hermanus	Zwelihle	5	Installation of subsoil drainage back of Chris Hani street	150 000	D Kearney
Hermanus	Zwelihle	5	Investigation to convert the top floor of the Business Centre in ward 12 to a community hall.	50 000	D Kearney
				400 000	
Hermanus	Zwelihle	6	Electrification of Zinhuzana & Thambo Square informal settlement	400 000	K Du Plessis
				400 000	
Hermanus	Sandbaai	7	Tarring of roads	400 000	D Kearney
				400 000	
Hermanus	Fisherhaven	8	Upgrading of streets & stormwater systems	200 000	D Kearney
Hermanus	Hawston	8	Hawston Sport Grounds Floodlights	150 000	D Kearney
Hermanus	Hawston	8	Paving of circles (incl. stormwater)	50 000	D Kearney
				400 000	



Town	Local Area	Ward	Project Description	TOTAL	PROJECT MANAGER
Kleinmond	Kleinmond	9	Upgrading of wooden footpath - Beach Rd	100 000	D Lakey
Kleinmond	Kleinmond	9	Extension of Heuningklouf footpath	200 000	D Lakey
Kleinmond	Kleinmond	9	Storm water	30 000	D Lakey
Kleinmond	Kleinmond	9	Street lights	40 000	D Lakey
Kleinmond	Kleinmond	9	Speed humps	30 000	D Lakey
				400 000	
Rooi Els	Rooi Els	10	Speed calming & general signage	6 500	D Lakey
Rooi Els	Rooi Els	10	Boardwalks	3 500	D Lakey
Rooi Els	Rooi Els	10	Equipment for Hack	5 000	D Lakey
Rooi Els	Rooi Els	10	Additional Speed Humps	25 000	D Lakey
Kleinmond	Palmet	10	Speed Humps	20 000	D Lakey
Kleinmond	Overhills	10	Play Park	10 000	D Lakey
Kleinmond	Overhills	10	Speed Humps	20 000	D Lakey
Kleinmond	Mountain View	10	Speed Humps	20 000	D Lakey
Betty's Bay	Mountain View	10	Upgrading of Moolutsig Hall (plan only)	15 000	D Lakey
Kleinmond	Proteadorp	10	Beautification of Open Space - Alusia Crescent	20 000	D Lakey
Kleinmond	Pringle Bay	10	Beautification of Fire Station & Parking Area - Pringle Bay	185 000	D Lakey
Pringle Bay	Pringle Bay	10	Completion of Fire Station & Parking Area - Pringle Bay	20 000	D Lakey
Pringle Bay	Pringle Bay	10	Additional Parking & Gravel Strip - Pringle Bay Hall	60 000	D Lakey
				400 000	
B-bos	Bskeerderbos	11	Stormwater	50 000	J De Villiers
Stanford	Stanford	11	Pavement in Morton-Bezuidenhout Street	130 000	F Myburgh
Stanford	Stanford	11	Paving of Sidewalk - Shortmarket Street (between De Bruyn & Morton)	100 000	F Myburgh
B-bos	Bskeerderbos	11	Beautification of Town Entrance (Signage)	25 000	F Myburgh
Gansbaai	Pearly Beach	11	Tarring of roads	80 000	F Myburgh
Gansbaai	Buifelsjachtsbaai	11	Village Garden Buifelsjachtsbaai	15 000	F Myburgh
				400 000	
Hermanus	Zwellihle	12	Flood lights for Zwellihle sports ground	150 000	D Kearney
Hermanus	Zwellihle	12	Upgrading Thambo Square Play Park(Rubber matting)	50 000	D Kearney
Hermanus	Zwellihle	12	Upgrading Zwellihle Community Hall (Ceiling Tiles)	200 000	D Kearney
				400 000	
Hermanus	Onrus/Vermont	13	Atlantic Drive Walkway	200 000	D Kearney
Hermanus	Onrus/Vermont	13	Coastal Path	50 000	D Kearney
Hermanus	Onrus/Vermont	13	De Wet Hall (Roof & Floor)	120 000	D Kearney
Hermanus	Onrus/Vermont	13	Street Lights (6)	30 000	D Kearney
				400 000	
TOTAL				5 200 000	







ANNEXURE F





WATER & WASTE WATER QUALITY



Water Services Authority	Overstrand Local Municipality
Water Services Provider(s)	Overstrand Local Municipality

Municipal Blue Drop Score 96.82 %

Performance Area	System	Greater Hermanus	Buffels River	Kleinmond	Standford Oog
					
Water Safety Planning (35%)		98	98	100	91
Treatment Process Management (10%)		85	65	65	65
DWQ Compliance (30%)		100	100	100	100
Management, Accountability (10%)		96	96	96	96
Asset Management (15%)		100	87	87	87
Bonus Scores		0.50	1.58	1.15	1.76
Penalties		0	0	0	0
Blue Drop Score (2012)		97.93 % (↑)	95.00 % (↑)	95.27 % (↑)	92.73 %
2011 Blue Drop Score		87.23 %	95.07 %	93.09 %	95.15 %
2010 Blue Drop Score		75.31 %	63.83 %	60.06 %	Not Assessed
System Design Capacity (Ml/d)		28	5.5	5.8	0.259
Operational Capacity (% to Design)		32.14	50.91	43.10	96.53
Population Served		42 824	3 037	9 822	5 315
Average daily Consumption (l/p/d)		210.16	921.96	254.53	47.04
Microbiological Compliance (%)		99.0%	99.0%	99.0%	99.0%
Chemical Compliance (%)		99.5%	99.0%	99.0%	99.0%

Performance Area	System	Greater Gansbaai	Buffeljagsbaai	Baard-skeerdersbos	Pearly Beach
					
Water Safety Planning (35%)		97	93	91	97
Treatment Process Management (10%)		90	65	65	65
DWQ Compliance (30%)		100	100	91	100
Management, Accountability (10%)		96	96	96	96
Asset Management (15%)		91	91	91	91
Bonus Scores		0.91	1.50	2.66	1.51
Penalties		0	0	0	0
Blue Drop Score (2012)		97.12 % (↑)	93.81 % (↑)	91.57 %	95.22 % (↑)
2011 Score		95.10 %	75.37 %	93.68 %	94.31 %
2010 Score		63.81 %	Not Assessed	Not Assessed	Not Assessed
System Design Capacity (Ml/d)		6.5	2.064	3.6	1.44
Operational Capacity (% to Design)		55.38	4.17	0.56	24.31
Population Served		15 924	290	229	897
Average daily Consumption (l/p/d)		226.07	296.55	87.34	390.19
Microbiological Compliance (%)		99.0%	99.0%	99.0%	99.0%
Chemical Compliance (%)		99.7%	99.0%	96.1%	99.0%

Regulatory Impression

The Overstrand Local Municipality can again take pride in the commitment of all officials that are responsible for the remarkable Blue Drop performance during this audit cycle. In spite of losing out on one certification (Stanford Oog) the Blue Drop tally improved from three in 2011 to five in 2012 and this is reflected in the overall Blue Drop score which increased from 90.56% (2011) to 96.82% (2012). The improvement of drinking water quality management in all systems is commendable and it is trusted that this performance will be sustained.

Water loss figures were not reported and this is a concerning factor which requires attention since consumption figures for the Buffels River system is rather excessive in comparison with other volumes used in other supply systems. Even though drinking water quality management in this particular system is deemed excellent when measured against the stringent criteria set, this certification will be reviewed should the municipality fail to supply the Department with meter readings that prove the contrary or an acceptable plan to improve water use efficiency.

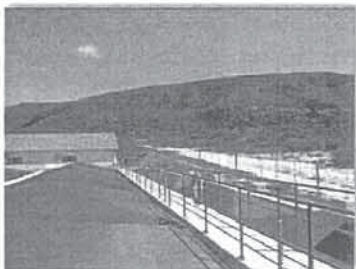
The improvement in the chemical compliance is another commendable feat since this was noted in the previous cycle as an area of concern. Further improvement in this regard is expected for the system of Baardskeedersbos.

Site Inspection Report

Buffelsrivier WTW 62.6 %*

Franskraal WTW (G. Gansbaai) 90.6 %

The inspectors were not impressed with general appearance of the Buffelsrivier water treatment facility during the on-site audit. However the accommodative nature of the municipality as well as the speedy reaction to shortcomings identified at this plant are impressive. The housekeeping concerns and signs of neglect were dealt with by the swiftness of a team evidently reluctant to lose certification at all cost.



The neat environment at the Franskraal WTW



Proud display of previous award

The on-site audit at Franskraal confirmed that the water supply system of the Greater Gansbaai is worthy of its Blue Drop certification status. It is however trusted that the risks posed by not having a spare chlorinator and the difficulty of cleaning the sedimentation tanks will be given the required attention.

* It was proven that the on-site situation improved since the audit; making this score no longer relevant.

GREEN DROP

VOLUME 1:

FINAL DRAFT



Together committed to excellent Water Quality for the future



CERTIFICATION
waste water service
REGULATION



Snout

ACRONYMS

ACRONYMS	DESCRIPTION
ADWF	Average Dry Weather Flow
CFO	Chief Financial Officer
COD	Chemical Oxygen Demand
CRR	Cumulative Risk Rating
DPW	Department of Public Works
DWA	Department of Water Affairs
GA	General Authorisation
GDC	Green Drop Certification
GDS	Green Drop System (www.dwa.gov.za/greendrop)
GWSA	Green Water Services Audit
IMP	Incident Management Protocol
KPA / KPI	Key Performance Area / Indicator
LM	Local Municipality
NA	[Not assessed]
NI	[No information]
O&M	Operation and Maintenance
RPMS	Service Level Agreement
SLA	Regulatory Performance Measurement System
SS	Suspended Solids
W ₂ RAP	Wastewater Risk Abatement Plan
WIN-SA	Water Information Network of South Africa
WRC	Water Research Commission
WSA	Water Services Authority
WSP	Water Services Provider
WSI	Water Services Institutions
WWTP/W	Wastewater Treatment Plant / Works
PROVINCES	
EC	Eastern Cape Province
FS	Free State Province
GP	Gauteng Province
LP	Limpopo Province
MP	Mpumalanga Province
NW	North West Province
NC	Northern Cape Province
KZN	Kwa-Zulu Natal Province
WC	Western Cape Province



The following is an example of a typical municipal report card that appears in the Green Drop Report 2013. Results are provided in colour coded format – each colour has a specific meaning and performance reference.

Water Services Authority		ABC Local Municipality	
Water Services Provider(s)		ABC WSP	
2013 Municipal Green Drop Score	81.63%	<p>The Municipal Green Drop score is a Performance Indicator of the overall municipal wastewater business (function of the available design capacity and the individual Green Drop scores).</p> <p>Arrows: Depict the current Green Drop status of the plant. A ↑ arrow shows improvement upon the 2009 situation, ↓ shows digress, → shows unchanged situation</p>	
2011 Municipal Green Drop Score	63.80%		
2009 Municipal Green Drop Score	75.00%		
Key Performance Area	Weight	System X	
Process Control & Maintenance Skills	10%	67	
Monitoring Programme	15%	95	
Submission of Results	5%	100	
Effluent Quality Compliance	30%	16	
Risk Management	15%	90	
Local Regulation	5%	100	
Treatment Capacity	5%	100	
Asset Management	15%	94	
Bonus Scores		8.48	
Penalties		1.90	
Green Drop Score (2013)		74.88%	
2011 Green Drop Score		47.00%	
2009 Green Drop Score		66.00%	
System Design Capacity	ML/d	2.3	
Capacity Utilisation (% ADWF to Design Capacity)		112.0%	
Resource Discharged into		Plenaars River (sensitive, special standard apply)	
Microbiological Compliance	%	12.95%	
Chemical Compliance	%	24.35%	
Physical Compliance	%	20.69%	
Overall Compliance	%	20.90%	
Wastewater Risk Rating (2012)		76.50%	
Wastewater Risk Rating (2013)		76.47%	

Note: volumetric capacity refers to Average Dry Weather Flow

CRR% Deviation	90 – 100% Critical risk WWTP
	70 – <90% High Risk WWTP
	50 – <70% Medium risk WWTP
	<50% Low Risk WWTP

Colour codes	Appropriate action by institution
90-100%	Excellent situation, need to maintain via continued improvement
80-<90%	Good status, improve where gaps identified to shift to 'excellent'
50-<80%	Fair performance, ample room for improvement
31-<50%	Very poor performance, need targeted intervention towards gradual sustainable improvement
0-<31%	Critical state, need urgent intervention for all aspects of the wastewater services business

≥90% = Green Drop Certification
<30% = Purple Drop Status

Plant is receiving 12% more wastewater compared to its original design capacity (ADWF)

Effluent quality compliance to legislative standards carries a high (30%) weight in the GDC score

The CRR% Deviation (CRR/ CRRmax) score is specific to the wastewater "treatment" function of the service. This score indicates the actual risk as a % of the maximum risk that the plant potentially can reach. An orange and red block indicate that the plant is in high- or critical risk that warrants urgent attention. A higher value reflects a high risk state (undesirable). A lower value reflects a lower risk state.



1. GREEN DROPSCORECARD 2012/13

*The Stockdale paradox:
Confront the brutal truth of the situation, yet at the
same time, never give up hope.*

Green Water Services Audits are conducted by a panel consisting of a qualified wastewater professional as Lead Assessor, supported by 2 Assessors. The team selection is done based on the outcomes of a Green Drop Examination which tests the assessor's knowledge and competence in the subject field.

The following scorecard outlines the key requirements of the Green Drop assessment and indicates the Portfolio of Evidence that was required by each Water Services Institution to calculate a Green Drop score per wastewater system.

Green Water Services Audit Period : 1 July 2011 – 30 June 2012

Green Drop Key Performance Area	Requirements	Sub-Requirements
(1) Process Control and Maintenance	(1.1) WORKS REGISTRATION	a) The wastewater treatment facility is registered as per the Requirements of Regulation 2834/17.
[10%]	(1.2) PROCESS CONTROLLER & SUPERVISOR REGISTRATION	a) Copies of Registration Certificates of Process Controllers and Supervisor(s) b) Copies of the classification certificates of all process controllers/operators and supervisors/superintendents must be uploaded on the GDS; c) Compliance with Regulation 2834 (must comply at least 50% in each of the shifts); WSI must indicate shift patterns or measures in place when a shift does not comply with Regulatory Process Control Requirements. d) WSI must indicate process controllers and/or supervisors that are 'shared' across different plants/sites.
	1.3) MAINTENANCE TEAM	a) Evidence of Maintenance Team used for general maintenance work at the plant & pump-stations (both mechanical and electrical) b) Information on in-house staff (or organogram) or external contractor/s c) Provide additional proof of competency of team (e.g. Qualification & Experience & Trade-test) d) Provide a site specific operation and maintenance schedule (routine / scheduled) e) Contract or Logbook with maintenance entries to serve as evidence of the above aspects
	1.4) OPERATIONS & MAINTENANCE MANUAL	a) Proof of a 'site-specific' Operation & Maintenance Manual O&M manual to contain: 1. structural, 2. mechanical, 3. electrical detail of plant, 4. design specifications of plant, 5. reference to drawings, 6. operational schedules, 7. maintenance schedules, 8. process detail and control, 9. instrumentation specification/type, 10. fault finding, 11. monitoring, 12. pump curves, 13. supportive appendices
	(1.5) OPERATIONAL LOGBOOK	a) A logbook is in place to record all incidents at the wastewater treatment works. b) Evidence is presented that the logbook process is being implemented.



[15%]	(2)	Wastewater Monitoring Programme	<p>Details of Operational Monitoring:</p> <p>a) Proof of Operational Monitoring sites, determinands and frequency;</p> <p>b) Samples must include:</p> <ul style="list-style-type: none"> i) <i>inflow</i> ii) <i>outflow</i> iii) <i>process flows</i> iv) <i>Industrial</i> v) <i>sludge</i> <p>c) Determinands monitored;</p> <p>d) as per Authorisation / as per best practice per technology type;</p> <p>e) Frequency: as per Authorisation /as per best practice (1/month for micro & small plants, 1/week for medium plants, and 1/day for large & macro plants)</p> <p>Details of Compliance Monitoring (For ALL Effluent Discharges).</p> <p>a) Sampling Sites as per Authorisation;</p> <p>b) Determinands as per Authorisation (This would include determinands not categorised as Microbiological, Chemical or Physical, e.g. SAR) ;</p> <p>c) Sampling frequency occurs as Authorisation Requirements</p> <p>Note 1: For zero-effluent treatment systems - still need to monitor for impact on catchment / environment (for both lined and unlined systems). Where oxidation ponds are producing effluent for irrigational purposes then General Limits apply.</p> <p>Note 2: A monitoring programme alone will not be sufficient to obtain full score; Analyses results should proof implementation of the monitoring programme.</p>
	(2.1)	OPERATIONAL MONITORING	
	(2.2)	COMPLIANCE MONITORING	
	(2.3)	LABORATORY USED	<p>a) Name lab(s) for operational analysis (in-house or on-site) and lab for compliance analysis/checks (in-house or external)</p> <p>b) Provide the turnaround in laboratory analysis (in hours: from time of submission to time of results dissemination)</p>
	(2.3)	LABORATORY CREDIBILITY	<p>a) Certificate of Accreditation for applicable methods,</p> <p>b) Or Z-scores results following participation a recognised Proficiency Testing Scheme (–2 ≥ z-score ≥ 2 are unacceptable)</p> <p>c) Or Proof of Intra- and Inter-laboratory proficiency (quality assurance as prescribed in Standard Methods)</p>
	(2.4)	PROCESS CONTROL / MONITORING RESULTS	<p>a) Explain how monitoring results are used to amend/improve process controlling</p> <p><i>[The assessor will select at random analytical parameter/s from the presented analytical results to present an audit question. This might be checked during on-site assessment.]</i></p>
[5%]	(3)	Submission of Wastewater Quality Results	<p>1. 12 months of data submitted to DWA on the GDS</p> <p>2. WSA must ensure that 12 months' sets of results are submitted and recorded on the GDS prior to the assessment. Note: All compliance results' data required</p>
	(3.1)	DATA SUBMISSION	
	PENALTY (1)- FURTHER GUIDANCE OR		Penalty will apply should Wastewater Performance Indicators not captured on GDS.
[5%]	PENALTY (2)- FURTHER GUIDANCE		Penalty will apply should the WSA not ensure compliance with assessment that the WSA is quality of an effluent as per Category 2, with the WSA's Authority only one submitting partial information (on GDS) in order to ensure a high level of WSA's WWP Performance 2. All compliance

[30%]	(4) Wastewater Effluent Quality Compliance	(4.1) WATER USE AUTHORISATION	a) Copy of authorisation, detailing Effluent Quality Standards. NOTE: List Standards to comply with.
		(4.2) EFFLUENT QUALITY COMPLIANCE	<p>a) 90% Microbiological Compliance (e.g. E Coli; Faecal Coliforms)</p> <p>b) 90% Chemical Compliance (e.g. COD, Ammonia, Nitrogen, Nitrate, Nitrite, Residual Chlorine, Ortho-Phosphates, Fluoride, Arsenic, Cadmium, Copper, Manganese, Iron, Selenium, Zinc, Boron, etc.)</p> <p>c) 90% Physical Compliance (e.g. pH, Suspended Solids, Electrical Conductivity, Soap, Oil or Grease, etc)</p>
		BONUS (GDIP)	<p>a) A practical Green Drop Improvement Plan (GDIP) in place – with baseline (current) score, tasks, responsible person, completion date, budget, target GDC score.</p> <p>b) Implementation evidence and proof of management of process</p>
		PENALTY (Sludge Management)	<p>a) Sludge treatment not managed / monitored. (Monitoring records must be produced)</p> <p>b) In-scope ponds/sewers provide general in-line budget system</p>
[15%]	(5) Wastewater Quality Risk Management	(5.1) WASTEWATER RISK ABATEMENT PLAN (W ₂ RAP)	<p>a) A practical and site specific Wastewater Risk Abatement Plan (W₂RAP) is in place which identify and prioritise risks, with measures to mitigate inefficiencies/inadequacies that result in non-compliance</p> <p>b) Implementation evidence and proof of management commitment</p>
		(5.2) INCIDENT REGISTER	<p>a) Provide evidence of implementation of Protocol</p> <p>b) Wastewater Quality Failure Incident and Sewer Spillage Incident register.</p>
		(5.3) WASTEWATER INCIDENT MANAGEMENT PROTOCOL	<p>a) Evidence of a documented Wastewater Incident Management Protocol</p> <p>b) Protocol to specify alert levels, response times, required actions, roles & responsibilities and communication measures/vehicles.</p> <p>c) NB. Include Pumpstation failure (sewer collector system spillages)</p>
		BONUS (Energy)	<p>WSI is able to provide DWA with:</p> <p>a) Electricity consumption over last financial year (in KWh/day) and Rand value (R/year) of treatment plant;</p> <p>b) Energy demand projections over next >3 years (in KWh/day) and in Rand value (R/year); and</p> <p>c) Calculate cost of energy (KWh/kl wastewater treated)</p>
[5%]	(6) Local Regulation	(6.1) BYLAWS	<p>Proof of the Bylaws providing for the regulation of:</p> <ol style="list-style-type: none"> 1. <i>Industrial (trade) influent (volumes & quality) discharged into municipal system,</i> 2. <i>package plants,</i> 3. <i>decentralized systems,</i> 4. <i>vacuum tank discharges and</i> 5. <i>Spillages into the environment.</i> 6. <i>Storm-water connections to sewer system.</i>
		(6.2) ENFORCEMENT	<p>1. Proof of application of Bylaw clause in practice, supported by written notice/s to offender OR</p> <p>2. Proof of adequate enforcement (informing relevant sectors and means of monitoring industrial or other sewer influent.)</p> <p>3. Records of Package Plants in area of jurisdiction (where development was approved by the Authority (Local Government).</p>

[illegible]

[5%]

[15%]

- d) Updated sanitation / wastewater Infrastructure Asset Register
 1. Proof of Asset Register, evidence to be submitted. Asset register to include movable equipment and immovable infrastructure / assets with matching detail.
 The asset register must detail :
 a) relevant equipment and infrastructure
 b) indicate asset description
 c) location
 d) condition (remaining life)
 e) replacement value

(8.3)

WASTEWATER ASSET REGISTER

(8.4)

O&M BUDGET & EXPENDITURE

- e) Operation and maintenance budget and comparative expenditure detail for:
 1. wastewater treatment (in cents/m³), and
 2. collection system (R/m³)
 The assessor will require the WSI to explain how these figures compare or are benchmarked to determine whether budget is (in)sufficient

NOTE: Indicate whether WSI could only provide global figures or system specific figures.

(8.5)

PUMPSTATION MAINTENANCE

Proof of maintenance work done on mechanical, electrical, civil per pumpstation

Additional Bonuses	(AB 1) CROSS-POLLINATION	WSI is able to provide evidence of improvement partnership initiatives with smaller municipalities (Cross-pollination). Green Drop scores will serve as good evidence to measure the outcomes of such initiative/s.
	(AB 2) STORMWATER MANAGEMENT	Proof of a Storm-water management plan detailing how storm-water entry is quantified, managed and monitored to prevent entry to sewer systems. Plan should also include measures to prevent sewage from entering stormwater systems. Evidence of implementation required
	(AB 3) WATER DEMAND MANAGEMENT	Water Demand Management Plan which provides a strategy and/or work plan that identify, quantify, monitor and manage leakages and water losses of any kind that (may) create an artificial water demand due to higher hydraulic loading of wastewater collection and treatment infrastructure. The bonus will be maximised should a wastewater flow balance be provided.

Green Drop Certification status = ≥90%
score against the above criteria.



Purple Drop status = <30% against the
above criteria.



"If you are going to achieve excellence in big things, you develop the habit in little matters. Excellence is not an exception, it is a prevailing attitude."

Colin Powell

1. Overstrand Local Municipality

Water Services Authority Overstrand Local Municipality
 Water Services Provider(s) Overstrand Local Municipality

2013 Municipal Green Drop Score	89.14%
2011 Municipal Green Drop Score	88.80%
2009 Municipal Green Drop Score	63.00%

Key Performance Area	Weight	Hermanus	Hawston	Stanford	Gansbaai
Process Control & Maintenance Skills	10%	84	100	100	100
Monitoring Programme	15%	93	95	95	100
Submission of Results	5%	100	100	100	100
Effluent Quality Compliance	30%	68	69	85	77
Risk Management	15%	96	73	73	73
Local Regulation	5%	100	100	100	100
Treatment Capacity	5%	100	100	100	96
Asset Management	15%	96	93	96	93
Bonus Scores		4.85	5.48	3.55	4.43
Penalties		0.20	0.23	0.30	0.37
Green Drop Score (2013)		91.17%	90.03%	93.39%	91.76%
2011 Green Drop Score		92.10%	87.90%	83.00%	75.80%
2009 Green Drop Score		66.00%	57.00%	61.00%	66.00%
System Design Capacity	ML/d	7.3	1	0.5	2
Capacity Utilisation (% ADWF to Design Capacity)		56.89%	30.00%	79.20%	55.00%
Resource Discharged into		Sea outfall (shallow)	Natural Wetland to Dunes	Kleinrivier	Lined wetlands, sportsfield irrigate
Microbiological Compliance	%	91.67%	91.67%	91.67%	100.00%
Chemical Compliance	%	87.50%	81.25%	90.00%	93.75%
Physical Compliance	%	66.67%	91.67%	94.44%	80.56%
Overall Compliance	%	80.21%	86.46%	91.67%	89.58%
Wastewater Risk Rating (2012)		34.70%	33.30%	44.40%	38.90%
Wastewater Risk Rating (2013)		45.45%	29.41%	29.41%	35.29%

Key Performance Area	Weight	Kleinmond
Process Control & Maintenance Skills	10%	80
Monitoring Programme	15%	95
Submission of Results	5%	100
Effluent Quality Compliance	30%	29
Risk Management	15%	73
Local Regulation	5%	100
Treatment Capacity	5%	56
Asset Management	15%	100
Bonus Scores		8.84
Penalties		0.91
Green Drop Score (2013)		77.61%
2011 Green Drop Score		82.50%

2009 Green Drop Score		66.00%
System Design Capacity	ML/d	2
Capacity Utilisation (% ADWF to Design Capacity)		44.90%
Resource Discharged into		Sea (shallow outfall)
Microbiological Compliance	%	83.33%
Chemical Compliance	%	77.08%
Physical Compliance	%	100.00%
Overall Compliance	%	86.46%
Wastewater Risk Rating (2012)		44.40%
Wastewater Risk Rating (2013)		47.06%

Regulatory Impression

The Overstrand Local Municipality is to be congratulated with an outstanding performance and able presentation of their Portfolio of Evidence. The Inspection team were impressed with "... *the team's enthusiasm, expertise and knowledge of the wastewater business.*" As result, Overstrand is awarded with four Green Drop Certificates. The overall management of all five systems is consistent and indicative of the personnel's dedication and discipline to wastewater management. Regrettably, the Kleinmond system did not perform on par with the other 3 systems, which weakened the municipal Green Drop score to 89.14%, just short of overall Green Drop award.

The points of strength include the high overall compliance of effluent quality, prominent risk abatement, and technical skilled staff with strong management support and involvement. The presence of the Finance department contributed to the positive score received for asset management and ringfenced costing. The Hermanus WWTW is currently in the process of upgrading the works to 12ML/d. Monitoring programs should be revised to include sludge monitoring at all systems and to ensure sufficient sampling frequency where process upgrades have occurred.

Overall, Overstrand has managed to produce a polished Green Drop Performance. Overstrand is also one of very few municipalities that were using the opportunity to score against all the bonus criteria. **Well done.** The absolute consistency displayed in keeping all systems in low risk zones using the W₂RAP process, is commendable. Overstrand is an accomplished service provider in wastewater management, and deserves to be mentioned amongst the top performers in the Province.

Green Drop findings:

1. Regulation 17 compliance need to receive attention
2. Sea outfall monitoring frequency need to be revised for Hermanus
3. Sludge monitoring and handling could improve going forward
4. Some shortcomings are evident on process assessment which might possibly resolve some of the lower compliance to ammonia, EC, O-PQ₄, SS/COD at some plants, given that ample capacity exist at all plants.

Site Inspection Report

Kleinmond

75%

The Kleinmond plant was inspected to verify the Green Drop findings:

- The plant is beautifully set, with notices, PFD, manuals and signage in place
- Process control logbooks can be improved, as well as instrumentation
- Flows recorded, except nightflow, 60% tankered, daily pumpstations checks
- Aeration of wastewater well maintained, goo process control, lime slightly slug dosed, MLSS used along temperature
- Disinfection via ultraviolet radiation, clear overflows to reed beds (Phragmites) for polishing, UV performance questioned.



ANNEXURE G

SERVICE LEVEL STANDARDS



Province: Municipality(WC032) - Schedule of Service Delivery Standards	
Description	Service Level
Solid Waste Removal	
Premise based removal (Residential Frequency)	WEEKLY
Premise based removal (Business Frequency)	UP TO 5 TIMES PER WEEK (AS PER REQUEST)
Bulk Removal (Frequency)	NO
Removal Bags provided(Yes/No)	NO
Garden refuse removal Included (Yes/No)	NO
Street Cleaning Frequency in CBD	DAILY
Street Cleaning Frequency in areas excluding CBD	AS AND WHEN NEEDED
How soon are public areas cleaned after events (24hours/48hours/longer)	WITHIN 24 HRS
Clearing of illegal dumping (24hours/48hours/longer)	48 HOURS
Recycling or environmentally friendly practices(Yes/No)	Yes
Licensed landfill site(Yes/No)	Yes
Water Service	
Water Quality rating (Blue/Green/Brown/NO drop)	5 Blue Drops 96.82% ; 4 Green Drops 89.14% (2012)
Is free water available to all? (All/only to the indigent consumers)	Indigent consumers
Frequency of meter reading? (per month, per year)	Monthly
Are estimated consumption calculated on actual consumption over (two month's/three month's/longer period)	N/A
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	N/A
Duration (hours) before availability of water is restored in cases of service interruption (complete the sub questions)	
One service connection affected (number of hours)	1.00
Up to 5 service connection affected (number of hours)	2.00
Up to 20 service connection affected (number of hours)	3.00
Feeder pipe larger than 800mm (number of hours)	N/A
What is the average minimum water flow in your municipality?	Min 2.4Bar pressure
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	Yes
How long does it take to replace faulty water meters? (days)	2 days
Do you have a cathodic protection system in place that is operational at this stage? (Yes/No)	No
Electricity Service	
What is your electricity availability percentage on average per month?	94% (Eskom Loadshedding included) 98.6% (Eskom Loadshedding excluded)
Do your municipality have a ripple control in place that is operational? (Yes/No)	YES
How much do you estimate is the cost saving in utilizing the ripple control system?	R 4 621 375.00 p/a
What is the frequency of meters being read? (per month, per year)	PER MONTH
Are estimated consumption calculated at consumption over (two month's/three month's/longer period)	N/A
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	N/A
Duration before availability of electricity is restored in cases of breakages (immediately/one day/two days/longer)	IMMEDIATE
Are accounts normally calculated on actual readings? (Yes/no)	YES
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	NO
How long does it take to replace faulty meters? (days)	1
Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No)	YES
How effective is the action plan in curbing line losses? (Good/Bad)	GOOD



Description	Service Level
Standard	
How soon does the municipality provide a quotation to a customer upon a written request? (days)	7
How long does the municipality takes to provide electricity service where existing infrastructure can be used? (working days)	5
How long does the municipality takes to provide electricity service for low voltage users where network extension is not required? (working days)	5
How long does the municipality takes to provide electricity service for high voltage users where network extension is not required? (working days)	5
Sewerage Service	
Are your purification system effective enough to put water back in to the system after purification?	YES
To what extend do you subsidize your indigent consumers?	Basic charge plus one after hour tanker service
How long does it take to restore sewerage breakages on average	
Severe overflow? (hours)	2.00
Sewer blocked pipes: Large pipes? (Hours)	2.00
Sewer blocked pipes: Small pipes? (Hours)	2.00
Spillage clean-up? (hours)	4.00
Replacement of manhole covers? (Hours)	2.00
Road Infrastructure Services	
Time taken to repair a single pothole on a major road? (Hours)	2.00
Time taken to repair a single pothole on a minor road? (Hours)	2.00
Time taken to repair a road following an open trench service crossing? (Hours)	5.00
Time taken to repair walkways? (Hours)	6.00
Property valuations	
How long does it take on average from completion to the first account being issued? (one month/three months or longer)	3 months
Do you have any special rating properties? (Yes/No)	yes
Financial Management	
Is there any change in the situation of unauthorised and wasteful expenditure over time? (Decrease/increase)	Decrease
Are the financial statement outsourced? (Yes/No)	No
Are there Council adopted business process structuring the flow and management of documentation feeding to Trial Balance?	Standard Operating Procedures
How long does it take for an Tax/Invoice to be paid from the date it has been received?	24.83 days
Is there advance planning from SCM unit linking all departmental plans quarterly and annually including for the next two to three years procurement plans?	Partially (currently being developed)
Administration	
Reaction time on enquiries and requests?	1 to 10
Time to respond to a verbal customer enquiry or request? (working days)	1 to 10
Time to respond to a written customer enquiry or request? (working days)	10
Time to resolve a customer enquiry or request? (working days)	10
What percentage of calls are not answered? (5%, 10% or more)	1
How long does it take to respond to voice mails? (hours)	N/A
Does the municipality have control over locked enquiries? (Yes/No)	yes



Description	Service Level
Standard	
Is there a reduction in the number of complaints or not? (Yes/No)	no
How long does it take to open an account to a new customer? (1 day/ 2 days/ a week or longer)	1 day
How many times does SCM Unit, CFO's Unit and Technical unit sit to review and resolve SCM process delays other than normal monthly management meetings?	Weekly
Community safety and licensing services	
How long does it take to register a vehicle? (minutes)	30min
How long does it take to renew a vehicle license? (minutes)	10min
How long does it take to issue a duplicate registration certificate vehicle? (minutes)	72hours
How long does it take to de-register a vehicle? (minutes)	10min
How long does it take to renew a drivers license? (minutes)	30min
What is the average reaction time of the fire service to an incident? (minutes)	4.25 min
What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)	15 min urban
What is the average reaction time of the ambulance service to an incident in the rural area? (minutes)	40 min urban
Economic development	
How many economic development projects does the municipality drive?	7
How many economic development programme are deemed to be catalytic in creating an enabling environment to unlock key economic growth projects?	4
What percentage of the projects have created sustainable job security?	50
Does the municipality have any incentive plans in place to create an conducive environment for economic development? (Yes/No)	No
Other Service delivery and communication	
Is a information package handed to the new customer? (Yes/No)	Yes - available on www.overstrand.gov.za
Does the municipality have training or information sessions to inform the community? (Yes/No)	Yes
Are customers treated in a professional and humanly manner? (Yes/No)	Yes



ANNEXURE H

**SCOA REGULATIONS, NT BUDGET
CIRCULARS & FINANCIAL RATIOS AND
NORMS**





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GOVERNMENT NOTICE

NATIONAL TREASURY

No. R. 312

22 April 2014

LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003:
MUNICIPAL REGULATIONS ON STANDARD CHART OF ACCOUNTS

The Minister of Finance has, in terms of section 168 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), and acting with the concurrence of the Minister of Cooperative Governance and Traditional Affairs, made the regulations as set out in the Annexure.



ANNEXURE

Preamble

Section 216 of the Constitution of the Republic of South Africa, 1996, provides that national legislation must prescribe measures to ensure transparency and expenditure control in each sphere of government by introducing generally recognised accounting practice, uniform expenditure classifications and uniform treasury norms and standards. The Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), determines those measures for the local sphere of government and enables the Minister of Finance to further prescribe by regulation such measures in terms of section 168 thereof. The National Treasury is responsible for enforcing compliance with such measures, in addition to those functions assigned to it in terms of the Public Finance Management Act, 1999 (Act No. 1 of 1999). The National Treasury must compile national accounts incorporating all three spheres of government.

Uniform expenditure classifications have already been established and implemented for national and provincial government departments. These Regulations propose segments and a classification framework for the standard chart of accounts to be applied in local government in similar form to that implemented for national and provincial government departments. In order to enable the National Treasury to provide consolidated local government information for incorporation in national accounts, national policy and other purposes, it must obtain financial information from individual municipalities. Currently, each municipality manages and reports on its financial affairs in accordance with its own organisational structure and unique chart of accounts. The result is a disjuncture amongst municipalities and municipal entities and between municipalities and the other spheres of government as to how they classify revenue and expenditure and consequently report thereon. This compromises transparency, reliability and accuracy throughout the planning and reporting process and impedes the ability of national government to integrate information and to formulate coherent policies in response to the objectives of local government.

Therefore it is necessary for the Minister of Finance to specify national norms and standards for the recording and collection of local government budget, financial and non-financial information which will include in some instances the specification of information required for national policy coordination and reporting. This will result in an improved understanding of the role of local government in the broader national policy framework and linkage to other government functions.

The Municipal Budget and Reporting Regulations, 2009, provide for the formalisation of norms and standards in order to improve the credibility, sustainability, transparency, accuracy and reliability of municipal budgets. The prescribed budget formats provide the framework for the identification of the categories of municipal



financial and non-financial information required in developing municipal budgets. A key objective of the proposed Regulations is to enable the alignment of budget information with information captured in the course of the implementation of the budget.

Additional key objectives, which also illustrate the potential benefits, include-

- (a) improved data quality and credibility;
- (b) the achievement of a greater level of standardisation;
- (c) the development of uniform data sets critical for 'whole-of-government' reporting;
- (d) the standardisation and alignment of the 'local government accountability cycle' by the regulation of not only the budget and in-year reporting formats but also the annual report and annual financial statement formats;
- (e) the creation of the opportunity to standardise key business processes with the consequential introduction of further consistency in the management of municipal finances;
- (f) improved transparency, accountability and governance through uniform recording of transactions at posting account level detail;
- (g) enabling deeper data analysis and sector comparisons to improve financial performance; and
- (h) the standardisation of the account classification to facilitate mobility in financial skills within local government and between local government and other spheres as well as the private sector and to enhance the ability of local government to attract and retain skilled personnel.

These Regulations apply to all municipalities and municipal entities and indicate its applicability and relevance to each specific municipal environment while accommodating organisational uniqueness and structural differences. These Regulations also proposes the specification of minimum business process requirements for municipalities and municipal entities as well as the implementation of processes within an integrated transaction processing environment.



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SEGMENTS OF STANDARD CHART OF ACCOUNTS FOR MUNICIPALITIES AND MUNICIPAL ENTITIES

CHAPTER 1

INTERPRETATION, OBJECT AND APPLICATION

Definitions

1. In these Regulations, a word or expression to which a meaning has been assigned in the Regulation has the same meaning as in the Act and unless the context indicates otherwise—

"Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"board of directors", in relation to a municipal entity, has the meaning assigned to it in section 1 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

"business processes" means the set of activities taking place from the initiation of a process within a municipality or municipal entity to the completion thereof;

"classification framework" means the classification framework provided for in the standard chart of accounts;

"Director-General" means the Director-General of the National Treasury;

"general ledger" means the central depository of accounting data transferred from all sub-ledgers;

"minimum business process requirements" means the set of minimum components of all business processes determined in terms of regulation 6;

"minimum system requirements" means those specifications for an integrated software solution, incorporating an enterprise resource management system determined in terms of regulation 7;

"municipal entity" has the meaning assigned to it in section 1 of the Local Government: Municipal Systems Act, 2000;

"municipal council" has the meaning assigned to it in section 1 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);

"municipality" has the meaning assigned to it in section 1 of the Local Government: Municipal Systems Act, 2000;

"SCOA Committee" means the Technical Committee for the Standard Chart of Accounts for municipalities and municipal entities established by regulation 8; and



"standard chart of accounts" means a multi-dimensional classification framework providing the method and format for recording and classifying financial transaction information in the general ledger forming part of the books of account containing a standard list of all available accounts.

Object of these Regulations

2. The object of these Regulations is to provide for a national standard for the uniform recording and classification of municipal budget and financial information at a transaction level by prescribing a standard chart of accounts for municipalities and municipal entities which—

- (a) are aligned to the budget formats and accounting standards prescribed for municipalities and municipal entities and with the standard charts of accounts for national and provincial government; and
- (b) enable uniform information sets recorded in terms of national norms and standards across the whole of government for the purposes of national policy coordination and reporting, benchmarking and performance measurement in the local government sphere.

Application of these Regulations

3. These Regulations apply to all municipalities and municipal entities.

CHAPTER 2

STANDARD CHART OF ACCOUNTS FOR MUNICIPALITIES AND MUNICIPAL ENTITIES

Segments and classification framework for the standard chart of accounts.

4.(1) The standard chart of accounts for a municipality or municipal entity must contain the segments as set out in the Schedule.

(2) The Minister must, by notice on the website of the National Treasury, determine the classification framework provided for in the standard chart of accounts.



Implementation requirements

5.(1) The standard chart of accounts of a municipality or municipal entity—

- (a) must contain the segments in the Schedule as required by regulation 4(1);
- (b) must accurately record all financial transactions and data in the applicable segment; and
- (c) may not contain data which is mapped or extrapolated or which otherwise does not reflect transactions recorded or measured by the municipality or municipal entity.

(2) The financial and business applications or systems used by a municipality or municipal entity must—

- (a) provide for the hosting of the general ledger structured in accordance with the classification framework determined in terms of regulation 4(2);
- (b) be capable of accommodating and operating the standard chart of accounts;
- (c) provide a portal allowing for free access, for information purposes, to the general ledger of the municipality or municipal entity, by any person authorised by the Director-General or the Accounting officer of the municipality.

(3) Each municipality and municipal entity must have, or have access to, computer hardware with sufficient capacity to run the software which complies with the requirements in sub-regulation (2).

CHAPTER 3**MINIMUM BUSINESS PROCESS AND SYSTEM REQUIREMENTS****Minimum business process requirements**

6.(1) The Minister may, by notice in the *Gazette*, determine minimum business process requirements for municipalities and municipal entities to enable implementation of regulations 4 and 5.

(2) Each municipality and municipal entity must implement the minimum business process requirements by the date determined in the notice referred to in sub-regulation (1).



Minimum system requirements

7.(1) The Minister may, by notice in the *Gazette*, determine the minimum system requirements for municipalities and municipal entities to enable implementation of regulations 4 and 5.

(2) Each municipality and municipal entity must implement the minimum system requirements by the date determined in the notice referred to in sub-regulation (1).

CHAPTER 4**TECHNICAL COMMITTEE FOR STANDARD CHART OF ACCOUNTS****Establishment of Technical Committee for Standard Chart of Accounts**

8. A committee known as the Technical Committee for the Standard Chart of Accounts is hereby established as a structure of the National Treasury.

Composition of SCOA Committee

9.(1) The SCOA Committee must consist of—

- (a) a chairperson;
- (b) a deputy chairperson;
- (c) five other members, each representing the functional areas of public finance, intergovernmental relations, accounting, budget office and supply chain management; and
- (d) such further members as the Director-General considers necessary;

(2) The Director-General must designate employees of the National Treasury as members of the SCOA Committee in the respective capacities for a term of three years.

(3) A member referred to in sub-regulation (1)(c) or (d) may nominate an alternate to act in that member's stead if unavailable.

(4) The deputy chairperson of the SCOA Committee must act in the place of the chairperson of the Committee if unavailable.



(5) The Director General must take all reasonable steps to ensure that the SCOA Committee is provided with the technical, administrative, financial and logistical resources to enable it to fulfil its function and must determine its procedures.

Functions of SCOA Committee

10. The SCOA Committee—

- (a) must review the classification framework and, where required, make recommendations to the Minister on amendments to that framework;
- (b) must develop guidelines and training material that are aligned to the classification framework determined from time to time in terms of regulation 4(2);
- (c) must review the implementation of the standard chart of accounts in government as a whole to ensure the alignment of the standard chart of accounts provided for in these Regulations and the standard chart of accounts applicable in national and provincial government;
- (d) when required to align these Regulations with changes to other legislation applicable to local government, must make recommendations to the Minister on amendments to these Regulations;
- (e) must undertake such other functions relating to the implementation of these Regulations as the Minister may direct;
- (f) may make recommendations to the Director-General and the Minister on any matter referred to in paragraphs (b), (c) and (e); and
- (g) must undertake any functions necessarily ancillary to any matter referred to in paragraphs (a) to (f).

Meetings of SCOA Committee

11. The chairperson of the SCOA Technical Committee or the Director-General may, as required, convene meetings of the Committee, but the Committee must convene at least once a year.



CHAPTER 5

RESPONSIBILITIES OF MUNICIPAL FUNCTIONARIES

Responsibilities of municipal councils and boards of directors

12. The municipal council of a municipality and the board of directors of a municipal entity must take the necessary steps to ensure that these Regulations are implemented by the adoption of any resolutions, policies and budgetary provisions necessary for the implementation of these Regulations.

Responsibilities of accounting officers

13. The accounting officer of a municipality or municipal entity must take all necessary steps to ensure that these Regulations are implemented by at least—

- (a) delegating the necessary powers and duties to the appropriate officials;
- (b) ensuring that the responsible officials have the necessary capacity by providing for training and ensuring that they attend training or workshops provided by the National Treasury;
- (c) ensuring that the financial and business applications of the municipality or municipal entity have the capacity to accommodate the implementation of these Regulations and that the required modifications or upgrades are implemented; and
- (d) submitting reports and recommendations to the municipal council or the board of directors, as the case may be, that provide for the adoption of any resolutions, policies and budgetary provisions necessary for the implementation of these Regulations.

CHAPTER 6

GENERAL

Access by National Treasury

14.(1) All municipalities and municipal entities must ensure that—

- (a) the business and financial applications used by them incorporate a portal allowing for free access to their general ledgers for information purposes to any person authorised by the Director-General; and
- (b) such access is provided.



(2) The accounting officer of a municipality and a municipal entity must ensure that its system providers cooperate with the National Treasury to implement the necessary programme amendments to provide the standard of access required by the National Treasury.

(3) The National Treasury may use any of the information to which it has access in terms of this regulation for the purposes of—

- (a) preparing national accounts for the whole of government;
- (b) development of consolidated accounts for the local government sphere;
- (c) verifying the correctness of municipal financial and business information;
- (d) assessment of municipal financial performance and benchmarking; and
- (e) fulfilling any obligations in terms of legislation.

Postponement of implementation and exemption

15.(1) The Minister may, by notice in the *Gazette* on good cause shown by a municipality or municipal entity and after considering any recommendations of the SCOA Committee, exempt such municipality or municipal entity from the application of a provision of these Regulations, for the period and on the conditions determined in the notice.

(2) A postponement or exemption in terms of sub-regulation (1) may—

- (a) apply to—
 - (i) municipalities generally; or
 - (ii) municipal entities generally; or
- (b) be limited in its application to a particular—
 - (i) municipality;
 - (ii) category of municipalities, which may be defined either in relation to a type or budgetary size of municipality or in any other manner;
 - (iii) municipal entity; or



- (iv) a category of municipal entities, which may either in relation to a type or budgetary size of municipal entity or in any other manner.

Short title and commencement

16. These Regulations are called the Standard Chart of Accounts for Local Government Regulations, 2014, and take effect on 1 July 2017.



SCHEDULE**SEGMENTS OF STANDARD CHART OF ACCOUNTS FOR MUNICIPALITIES
AND MUNICIPAL ENTITIES**

The standard chart of accounts must consist of at least the following segments, each of which incorporates a classification within the general ledger to record transaction information identified by codes within fields within the database:

Funding Segment

1. This segment identifies the various sources of funding available to municipalities and municipal entities for financing expenditure relating to the operation of the municipality and provides for both capital and operational spending. The appropriate classification code of a transaction in this segment will be determined according to the source of funding against which a payment is allocated and the source of revenue against which income is received.

Function Segment

2. This segment provides for the classification of the transaction according to the function or service delivery objective and provides for the standardisation of functions and sub-functions across local government with due regard to specific service delivery activities and responsibilities of each individual municipality or municipal entity.

Municipal Standard Classification Segment

3. This segment provides for the organisational structure and functionality of an individual municipality, which is not prescribed, but must incorporate the structure and functionality as determined by that municipality.

Project Segment

4. This segment provides for the classification of capital and operating projects as provided for in the integrated development plan, as provided for in the Municipal Structures Act, 1998 (Act No. 117 of 1998), and funded in the budget and records information on spending as against the budget as well as the utilisation of funds provided for the project. The appropriate classification code of a transaction in this segment will be determined on the basis of whether it relates to a specific project and if so, the type of project.

Regional Indicator Segment

5. This segment identifies and assigns government expenditure to the lowest relevant geographical region as prescribed and the appropriate classification code will be determined according to the defined geographical area within which the



intended beneficiaries of the service or capital investment are located who are deriving the benefit from the transaction.

Item Segment

6. This segment provides for the classification of item detail in the presentation of the financial position, performance and cash flow of the municipality or municipal entity. The appropriate classification code will be determined according to the nature of the transaction either as revenue, expenditure, asset, liability or net asset.

Costing Segment

7. This segment provides for a classification structure for secondary cost elements and acts as a cost collector in determining inter alia total cost of a service or function, identification of productivity inefficiencies and tariff determination of municipal services. Classification codes are identified with reference to departmental charges, internal billing and activity based recoveries for purposes of recording specific activities and functions in terms of their unit costs and cost categories.





Municipal Budget Circular for the 2015/16 MTREF

This circular provides further guidance to municipalities and municipal entities for the preparation of their 2015/16 Budgets and Medium Term Revenue and Expenditure Framework (MTREF). It must be read together with all previous MFMA Budget Circulars.

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Key focus areas for the 2015/16 budget process

The Medium Term Budget Policy Statement 2014

The MTBPS highlights that South Africa's economic performance has deteriorated over the past several years. Gross domestic product (GDP) growth of 1.4 per cent is estimated in 2014, down from 3.6 per cent in 2011. GDP growth is projected to improve over the medium term as infrastructure constraints ease, private investment recovers and exports grow. Economic growth is expected to rise gradually over the medium term, reaching 3 per cent by 2017.

Key priorities of government are to reshape South Africa's urban environment through integrated spatial planning, investment in dynamic city development, integrated housing and transport programmes, and support for business activity and job creation. The Medium Term Strategic Framework (MTSF) priorities for structural reform over the period ahead include:

- **Building the capacity of local government through the "back to basics" approach** which will focus on improving service delivery, accountability and financial management. Local government should be effective and efficient; and this will be measured by its ability to perform the basic mandate of service delivery.
- Reshaping South Africa's urban environment through **integrated spatial planning and an expansion of the municipal debt market**. Municipalities play a critical role in growing the economy through well-planned and well-managed urbanisation. In order to achieve this, large municipalities require massive investment to stimulate growth, maintain infrastructure and ensure that basic services are provided for growing populations. Over the next three years, the government will roll-out a new approach to local government infrastructure financing. Incentives will be introduced to encourage large urban municipalities to promote more compact, efficient and equitable cities. Planning will focus on developing mixed-use precincts that can help to catalyse economic activity, and on upgrading informal settlements.

Municipalities require capacity to be able to implement the MTSF's priorities for structural reform. This means that the state's capacity to plan, manage and maintain its programmes and infrastructure must improve. Government is providing the following support to enable cities to promote growth and urban spatial transformation:

- A project preparation facility which helps municipalities to build a robust pipeline of well-designed, catalytic projects for implementation;
- The infrastructure delivery management system is being expanded from provinces to large cities; and
- Technical assistance will support the review of borrowing strategies.

In addition, support will be provided to municipalities to improve revenue collection and the management of infrastructure financed from both own revenue and grants. National government will work with municipalities to expand their own contributions to local infrastructure investment, while reforms to the grant system will allow for more flexibility in the design of locally appropriate solutions; thereby facilitating more efficient use of available resources for social infrastructure. Greater integration between the capital investment plans of state-owned companies and city development strategies will also be encouraged.

Government will also work with private investors and development finance institutions to expand debt financing for municipal infrastructure. The Development Bank of Southern Africa (DBSA) is currently examining ways to encourage greater private investment in the municipal infrastructure market through infrastructure bonds, municipal bond underwriting, project

As mentioned above, **sustainable job creation** remains a national priority and municipalities must ensure that in drafting their 2015/16 budgets and MTREFs they continue to explore opportunities to mainstream labour intensive approaches to delivering services, and more particularly to participate fully in the Expanded Public Works Programme.

The economic growth plays a critical role in job creation; therefore greater private sector investment in the economy is encouraged. Municipalities must continue to undertake joint planning with their communities and respective business sectors that drive the local economy.

Local government conditional grants and additional allocations

The division of available funds to Local Government has increased to R99.2 billion or 9.1 per cent for 2015/16. This is expected to increase to R110.0 billion by 2017/18. The *Medium Term Budget Policy Statement 2014* indicates that over the 2015 MTEF period, transfers to local government total R313 billion, with 61.4 per cent transferred as unconditional allocations such as the equitable share and sharing of the general fuel levy. The remainder is allocated through conditional grants. As an interim measure municipalities MUST ensure that their tabled budgets reflect the conditional grant allocations set out in the 2015 Division of Revenue Bill.

Municipalities are advised to use the indicative numbers as set out in the 2014 Division of Revenue Act to compile their 2015/16 Medium-term Revenue and Expenditure budgets. In terms of the outer year of the 2015/16 municipal MTREF (2017/18 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as proposed in the 2014 Division of Revenue Act for 2016/17. **These numbers should then be updated once the 2015 Medium-term Expenditure Framework (MTEF) is tabled by the Minister of Finance in Parliament towards the end of February 2015.** The 2015 Medium-term Expenditure Framework will be published the day after the Minister's budget speech on National Treasury's website at: <http://www.treasury.gov.za/legislation/acts/2014/Default.aspx>

The Medium Term Budget Policy Statement 2014 highlighted that the country's weaker-than-expected economic performance and outlook pose new fiscal challenges. Lowering the expenditure ceiling is one of the measures implemented. Therefore decreases in indicative baselines will be allocated proportionately across national, provincial and local government according to their share of national revenue.

In the case of local government, reductions will only be made to conditional grants and not to the local government equitable share. Reductions will be spread across the grants and larger reductions will be applied to grants that have a history of underspending and non-infrastructure grants. This translates to a reduction in baseline allocations for local government conditional grants of R920.6 million in 2015/16 and R1.4 billion in 2016/17.

The *Municipal Human Settlements Capacity Grant* was introduced in 2014/15 to facilitate the development of capacity to manage human settlements programmes in Cape Town, Ekurhuleni, eThekweni, Johannesburg, Nelson Mandela Bay and Tshwane Metropolitan Municipalities. While the process of assigning the housing function is being reviewed, strengthening the capacity of these cities to manage the built environment remains a priority.

Allocations in terms of this grant will be reduced and the structure and conditions of the grant will be amended to reflect these changes. Details will be announced in the 2015/16 Budget.

A new grant is also proposed to fund the anticipated administrative costs of municipalities in KwaZulu-Natal and Gauteng that will be affected by mergers after the 2016 local government elections.

Additions are also proposed for the **Regional Bulk Infrastructure Grant** and **Municipal Water Infrastructure Grant**. These allocations are intended to allow government to accelerate the provision of clean water to households.

While the review of local government infrastructure grants will continue in 2015, two changes emerging from the review's recommendations so far are proposed for 2015/16:

- Rationalising four grants administered by the Department of Water and Sanitation. These grants, which have overlapping objectives, are the *Municipal Water Infrastructure Grant*, *Water Services Operating Subsidy Grant*, *Rural Households Infrastructure Grant* and *Regional Bulk Infrastructure Grant*; and
- Merging the *Public Transport Infrastructure Grant* and the *Public Transport Network Operations Grant* into a single grant that provides more flexibility to cities in choosing public transport solutions.

Changes in the 2014 Division of Revenue Amendment Bill

The Minister of Finance tabled the 2014 Division of Revenue Amendment Bill on 22 October 2014. The details of the changes to municipal allocations and the reasons for these changes are discussed in the explanatory memorandum to the Bill, available on the National Treasury's website at: <http://www.treasury.gov.za/documents/mtbps/2014/default.aspx>

The 2014 Division of Revenue Amendment Bill includes a rollover of R80.2 million on Municipal Infrastructure Grant for projects in nine municipalities where transfers were stopped in 2013/14. These municipalities are in the Eastern Cape, KwaZulu-Natal, Northern Cape, North West and Western Cape. An amount of R157 million will be transferred to municipalities through the Municipal Disaster Recovery Grant in response to requests for post disaster funding. This is to repair and replace infrastructure damaged as a result of declared disasters that occurred in 2013 and 2014. The changes will be gazetted in December 2014.

The explanatory memorandum to the 2014 Division of Revenue Amendment Bill also sets out technical corrections to the conditional grant frameworks for the Rural Households Infrastructure Grant and the Municipal Human Settlements Capacity Grant.

Strengthening procurement to obtain value for money and combating corruption

A large share of the national budget is spent to build infrastructure, and to procure goods and services. This expenditure contributes to production and jobs throughout the economy. Government must ensure that its procurement processes are prudent, deliver value for money and help to improve service delivery.

An objective of the Office of the Chief Procurement Officer that was established within the National Treasury in April 2013 is to minimise waste and corruption, and ensure that government derives maximum social and economic benefits from every Rand spent.

This centralised oversight of public procurement will also improve efforts to root out tender fraud. Over the next three years, the Office of the Chief Procurement Officer will build a foundation for more cost-effective procurement operations in the public sector. The range and

scope of nationally negotiated contracts will be expanded, a national price-referencing system will be introduced, and government will draw on private-sector expertise and best practice in procurement systems. The fight against corruption also depends on an active citizenry, which the National Development Plan stresses is a precondition for South Africa to achieve its ambitious social and economic objectives.

Local government budget and financial management reforms

Regulation of a 'Standard Chart of Accounts' (SCOA) for local government

The Minister of Finance promulgated the Municipal Regulations on the Standard Chart of Accounts (SCOA) on 22 April 2014. The Municipal Regulations on the Standard Chart of Accounts, Project Summary Document and Detailed Classification Framework of the 7 Segments (SCOA Version 5) can be accessed at:

<http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx>

Similarly to that of national and provincial government, the municipal SCOA essentially provides for a uniform and standardised financial classification framework by which municipalities are required, at a transactional level, to record all expenditure, revenue, assets and liabilities. While the overall objective and benefits of the municipal SCOA vary, the introduction of the municipal SCOA across all 278 municipalities will undoubtedly improve the ability of municipalities and councils to take informed decisions and improve service delivery outcomes through improved evidence based financial management. Importantly, it will also facilitate the aggregation of budgets and financial performance to ensure 'whole of government' reporting.

In preparation for SCOA implementation by all 278 municipalities by 01 July 2017, the National Treasury has commissioned SCOA Project Phase 4. SCOA Project Phase 4 incorporates various activities including the piloting of the SCOA classification framework in selected municipalities (across all financial systems currently operational in municipalities) with the implementation of the 2015/16 budget (01 July 2015). In addition, as a lead-up to the SCOA implementation by 01 July 2017, there will be a host of change management initiatives including the introduction of a formal training programme.

The selection of pilot municipalities have been finalised and forms part of the SCOA Integrated Consultative Forum. This is a stakeholder engagement forum that was established to oversee and assist stakeholders, vendors and municipalities with the transition to the SCOA classification framework and to date three meetings have taken place. Pilot sites should from 01 July 2015 implement the 2015/16 MTREF in accordance with SCOA classification framework and report accordingly. **Non-piloting municipalities are advised to start comparing their chart of accounts to SCOA in preparation for the implementation in July 2017.**

While non-piloting municipalities do not formally partake in the SCOA ICF, there are a host of immediate activities that need to be undertaken by all municipalities concurrently to the piloting process in preparation for implementation in July 2017. These include, among others:

- Tabling the Municipal Regulations on Standard Chart of Accounts in the municipal council to bring about broader awareness;
- Studying the Regulation, SCOA Project Document, associated Segments and Frequently Asked Questions which can be accessed at the above mentioned website;
- Compilation of a high level project plan and associated activities, including:



- ✓ Identification of a project manager / coordinator within the municipality which should preferably be within the finance department at a senior manager level;
 - ✓ Matching the SCOA classification framework to the current chart of accounts (general ledger) currently operational in the municipality and the identification of any anomalies;
 - ✓ Matching the Function Segment of the SCOA classification framework to the current vote and cost centre structures and identification of any anomalies;
 - ✓ Incorporating all senior managers across the municipality into the project through internal awareness and information sharing;
 - ✓ Incorporating the project plan and associated milestones as part of a standing agenda item at the monthly senior manager team meetings; and
 - ✓ Tabling a progress report, including a risk matrix at the municipal council on a quarterly basis.
- Attendance of, among others, the provincial CFO Forums which will be used to provide feedback with the piloting process. In addition, there will be sessions scheduled, such as the recent provincial one day SCOA introductory sessions, which will provide further clarity as it relates to the SCOA classification framework. Attendance of these sessions by relevant officials, including the municipal SCOA project manager / coordinator, will be essential if the municipality is to proactively manage any hurdles to ensuring SCOA compliance.

The National Treasury is in the process of finalising a MFMA Circular that will specifically deal with guidance as it relates to the SCOA and SCOA Project Phase 4. The Circular will be released early in 2015 and all municipalities are urged to diligently study the Circular in preparation for full SCOA implementation.

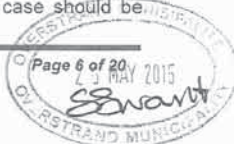
In addition, all queries, clarity seeking questions, challenges and associated issues relevant to SCOA can be directed to the following email address: lgscqa@treasury.gov.za

Financial applications (systems) and the impact of SCOA

Municipalities are reminded that MFMA Circular No. 57 is still in effect and the guidance, processes and procedures provided in the Circular are still applicable. **Currently no system vendor (financial systems) could demonstrate SCOA compliance** and municipalities are therefore strongly advised not to proceed with any configuration or upgrades to their current core financial systems as this could potentially lead to fruitless and wasteful expenditure not to mention exposing the municipality to unnecessary risk as it relates to SCOA compliance. As indicated above, as part of SCOA Project Phase 4 all system vendors have been included in the piloting process and are currently undertaking reconfiguration and upgrades to their system functionality in support of the multidimensional chart as prescribed by the SCOA Regulations.

Only once the piloting process has been finalised will the National Treasury be in a position to issue a follow-up MFMA Circular to MFMA Circular No. 57. It is envisaged that the objectives of the piloting process will be finalised towards the end of the first quarter of the 2015/16 financial year subsequent to which the follow-up MFMA Circular will be issued.

Notwithstanding the abovementioned facts, municipalities continue to replace their current financial applications against the guidance supplied in MFMA Circular No. 57. While it is acknowledged that in some cases municipalities feel that limitations associated with their current financial system functionality is impeding overall performance improvements, municipalities are advised to proceed with the utmost caution. Municipalities should follow the procedures and processes as outlined in MFMA Circular No. 57 and attempt to keep any decisions relating to changing financial systems in abeyance until the finalisation of the piloting process. In the interim, the National Treasury is of the opinion that each case should be



managed based on the unique circumstances and challenges experienced by each municipality.

Furthermore, municipalities are advised that in many cases the implementation of the SCOA classification framework could be considered a reimplementation of a financial system as it relates to take on balances of previous financial years and setting up of a new general ledger. Consequently the opportune time to change financial applications would in most cases be with the implementation of the SCOA classification framework and will undoubtedly be the most cost efficient approach. Further guidance in this regard will be provided in the MFMA Circular that will be issued in early in 2015.

Headline inflation forecasts

Municipalities must take the following inflation forecasts into consideration when preparing their 2015/16 budgets and MTREF. This information will be updated in a further Budget Circular to be issued after the tabling of the National Budget.

Fiscal year	2014	2015	2016	2017	2018
	Actual	Estimate	Forecast		
CPI Inflation	5.6%	6.2%	5.8%	5.5%	5.3%

Source: Medium Term Budget Policy Statement 2014

Revising rates, tariffs and other charges

Operating Revenue

Municipal revenues and cash flows are expected to remain under pressure in 2015/16 due to the state of the economy; therefore municipalities should adopt a conservative approach when projecting their expected revenues and cash receipts. Municipalities should also pay particular attention to managing all revenue and cash streams effectively, by paying particular attention to their revenue management processes and procedures.

Municipalities are therefore required to realistically provide for revenue as part of the statement of financial performance, cash flow and capital programme.

Another challenge identified was that municipalities are not able to set cost-reflective tariffs as advised in previous circulars because the cost drivers are not known. Municipalities are advised to determine the costs per service in determining tariffs. The use of tariff models will not yield positive results in municipalities that do not know their cost drivers as would any financial model based on incorrect information.

When municipalities and municipal entities revise their rates, tariffs and other charges for the 2015/16 budgets and MTREFs, they need to take into account the primary and secondary costs of services provided, local economic conditions and affordability of services to ensure financial sustainability.

National Treasury also continues to encourage municipalities to keep increases in rates, tariffs and other charges at levels that reflect an appropriate balance between the interests of poor households, other customers and ensuring the financial sustainability of the municipality. For this reason municipalities **must justify in their budget documentation all increases in excess of the 6.0 per cent** upper boundary of the South African Reserve Bank's inflation target in the budget narratives.



Management accounting and tariff setting

A costing guideline will be issued to respond to the demand by local government practitioners for guidance and tools in the costing of services rendered to consumers. The guideline is informed by the outcome of a pilot study that was undertaken. It addresses the inability to produce consistent data by municipalities on the cost of rendering a trading service.

This process will assist practitioners to improve their understanding of the principles and techniques of cost allocation. The adopted methodology is based on a consistent approach across municipalities, functions and projects, and so allow for cost comparisons and benchmarking. In addition, the information will be critical for tariff setting not only across main trading services but also in ensuring transparency in revenue generated across consumer categories. The process will also assist municipalities to better understand their costs and the factors that have the greatest influence on these costs (i.e. the cost drivers).

The rationale and concepts explained in this guideline envisage the establishment of a shared understanding among the various roleplayers involved.

Interpretation of section 43 of the MFMA

The municipal electricity tariff increase is regulated in terms of the Municipal Finance Management Act (MFMA) and the Electricity Regulation Act (ERA). ERA empowers NERSA to determine electricity tariffs to be charged by municipalities on an annual basis. The MFMA prescribes the timelines within which NERSA must finalise the process of determining the municipal tariff for a financial year.

Section 43 of the MFMA deals with the applicability of tax and tariff capping on municipalities

Section 43 of the MFMA requires an organ of state (NERSA) to make a determination of the municipal tariff increase on or before 15 March in a year for the tariff to be effective in 1 July of that year. If the determination is done after 15 March in a year, such determination will take effect 1 July in the next year. For example, if NERSA advises a municipality of its tariff determination by 15 March 2015, the tariff determination by NERSA with respect to the municipal electricity tariffs will be effective from 1 July 2015 but if NERSA fails to inform a municipality of its determination by 15 March 2015, the tariff determination by NERSA will only be effective from 1 July 2016. This implies that municipalities must submit their tariff applications before 15 March to enable NERSA to comply with the stipulated deadline (15 March).

Municipalities are also required in terms of section 16(2) of the MFMA to table the municipal budget in council no later than 31 March. The annual budget must be accompanied by amongst others draft resolution for imposing any municipal tax and setting any municipal tariffs as may be required for the budget year. The tabled municipal budget must be published for consultation with their local community and their views must be considered before the municipal council approves the budget.

With respect to electricity tariffs, NERSA determines the maximum tariffs that should be imposed by each municipality and they can be adjusted downwards depending on the circumstances of each municipality and resolution taken by the municipal council. A municipality may not charge a customer a higher tariff than that approved by NERSA. Therefore the determination made by NERSA should be used as a basis for consultation with local community and may be adjusted downward depending on the outcomes of the consultations. In cases where the outcomes of the consultations necessitate upward adjustment of the tariffs, a municipality should apply to NERSA for the review of the tariffs.



through an appeal process which is provided for in the Electricity Regulation Act. This should also be done in time to ensure that the processes are finalised before the approval of budget by municipal council.

NERSA's process to approve electricity tariffs

Municipalities will submit tariff applications from December 2014 aligned with the requirements of section 43 of the MFMA and subsequently NERSA will endeavour to finalise and complete all municipal tariff applications by 15 March 2015.

NERSA held workshops and one-on-one interactions with municipalities per province in order to assist municipalities with the completion of the D-forms. This process ran parallel with the submission of the D-forms. Municipalities are urged to ensure that correct and accurate information is submitted timeously to NERSA in order to ensure that proper analysis is done, and approval of tariff applications is achieved timeously.

In this regard municipalities are reminded to submit all outstanding D-forms to NERSA as a matter of urgency as the deadline for submission was 31 October 2014. NERSA will not be in a position to evaluate municipal tariff applications in the absence of complete D-forms. It is important that municipalities and NERSA work together to ensure that the process of approving electricity tariffs are finalised before 30 June 2015.

Eskom bulk tariff increases

Municipalities are advised to structure their 2015/16 electricity tariffs based on the **12.69 per cent** guideline and provide for a **14.24 per cent** increase in the cost of bulk purchases for the tabled 2015/16 budgets and MTREF. Any changes to these guidelines will be communicated to municipalities in a further Budget Circular for the 2015/16 financial year to be issued shortly after the tabling of the National Budget.

National Treasury supports the use of the following formula, proposed by NERSA, for calculating municipal electricity tariff increases:

$$MG = (B \times BPI) + (S \times SI) + (R \times RI) + (C \times CCI) + (OC \times OCI)$$

Where:

MG = % Municipal Guideline Increase
 B = % Bulk purchases
 BPI = % Bulk purchase increase
 S = % Salaries
 SI = % Salaries increase
 R = % Repairs
 RI = % Repairs increase
 C = % Capital charges
 CCI = % Capital charges increase
 OC = % Other costs
 OCI = % Other costs increase

All cost shares and increases must relate to the electricity function of the municipality

The formula for calculating the guideline:

$$\begin{aligned} MG &= (B \times BPI) + (S \times SI) + (R \times RI) + (C \times CCI) + (OC \times OCI) \\ &= (73 \times 14.24) + (10 \times 7.3) + (6 \times 6.3) + (4 \times 6.3) + (7 \times 6.3) \\ &= 10.40 + 0.73 + 0.38 + 0.25 + 0.54 \\ &= 12.20\% \end{aligned}$$

Where a municipality's evaluation of its cost structure results in a lower or higher tariff increase than that proposed by NERSA, the municipality must structure its tariffs accordingly and ensure it provides the necessary motivation and information in its tariff application to NERSA. Municipalities must refer to NERSA's 'Consultation paper for municipal tariff guideline benchmarks for 2015/16 financial year' for requirements on approving tariffs above the guideline, which can be accessed at www.nersa.org.za.

If a municipality's water and sanitation tariffs are not fully cost reflective, the municipality should develop a pricing strategy to phase-in the necessary tariff increases in a manner that spreads the impact on consumers over a period of time. ***As per the guidance in various previous Budget Circulars, municipalities were expected to apply cost reflective tariffs in the 2014/15 MTREF for both water and sanitation.*** Should this not be the case, municipalities will be required to clearly articulate the reasons and remedial actions to rectify this position in their budget document.

Funding choices and management issues

The *Salary and Wage Collective Agreement* for the period 01 July 2012 to 31 June 2015 has come to an end. In the absence of other information from the South African Local Government Bargaining Council, municipalities are advised to budget for a 5.8 per cent cost-of-living increase adjustment to be implemented with effect from 01 July 2015 (in line with the increase proposed in the 2014 MTBPS). Municipalities must further use the inflation forecast to project increases in the outer years.

Building on cost containment guidelines approved by Cabinet in October 2013, government at all levels will need to identify opportunities to increase efficiency and reduce waste. At a national level, the 2015 budget will pay particular attention to reducing line items that are not critical to service delivery to reinforce cost containment. Municipalities are still urged to implement the cost containment measures on six focus areas namely, consultancy fees, no credit cards, travel and related costs, advertising, catering, events costs and accommodation.

Related to cost-containment measures is the elimination of non-priority spending. The National Treasury has continuously through circulars provided advice to municipalities to eliminate non-priority spending. It was noted that there are municipalities that continue to excessively sponsor music festivals and arts festivals. With the implementation of cost-containment measures, municipalities must control unnecessary spending on nice-to-have items and non-essential activities. Municipalities are urged to refer to MFMA Circular 70 on examples of non-priority expenditure that must be eliminated.

The use of consultants

The National Treasury (Office of the Chief Procurement Officer) has observed that many municipalities make use of consultants and other service providers in the course of daily operations. Owing to the fact that there are no standardised tariffs and rates currently regulated as it relates to professional service providers and consultants, many municipalities are charged exorbitant fees for such services.

The response received from municipalities on the VAT reconciliation questionnaire indicates that most municipalities use consultants to review and submit these returns to the South African Revenue Services (SARS). Municipalities are advised to refrain from the use of consultants and other service providers in completing or reviewing their VAT returns. It is the responsibility of the Chief Financial Officer to review the VAT returns.

Budgeting for unfunded/ underfunded mandates

In previous budget years, it was noted that a number of municipalities are budgeting for unfunded/underfunded mandates. The South African Cities Network (SACN, 2007:78) defines an unfunded/underfunded mandate as when municipalities perform the functions of other spheres of government and bear significant costs out of their own revenue sources. These unfunded/underfunded mandates pose an institutional and financial risk to the municipality as substantial amounts of own funding is being allocated to non-core functions at the expense of basic service delivery.

One of the main objectives of local government is to ensure the provision of basic services to communities. Section 153 of the Constitution requires that budgeting processes must prioritise the basic needs of the community. Municipalities must therefore prioritise the provision of basic services such as electricity, water, sanitation and refuse removal in their MTREF budgets. Municipality may only budget for non-core functions such as crèches, sports fields, libraries, museums, health services, etc. if:

- The function is listed in Schedule 4B and 5B of the Constitution;
- The function is assigned to municipality in terms of national and provincial legislation;
- The municipality has prioritised the provision of basic services; and
- It does not jeopardise the financial viability of the municipality.

Municipalities are urged to sign service level agreements and recover costs where unfunded/underfunded mandates are performed on behalf of other spheres of government. However it will not constitute an unfunded / underfunded mandate if the municipality provides services beyond what is stipulated in the service level agreement.

Budget management issues dealt with in previous MFMA Circulars

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54, 55, 66, 67 and 70 with regards to the following issues:

1. Mayor's discretionary funds and similar discretionary budget allocation – National Treasury regards allocations that are not designated for a specific purpose to be bad practice and discourage them (refer to MFMA Circular 51).
2. Unallocated ward allocations – National Treasury does not regard this to be a good practice, because it means that the tabled budget does not reflect which ward projects



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2. VAT on conditional grants: SARS has issued a specific guide to assist municipalities meeting their VAT obligations – **VAT 419 Guide for Municipalities**. To assist municipalities accessing this guide it has been placed on the National Treasury website at: <http://mfma.treasury.gov.za/Guidelines/Pages/default.aspx>
3. Interest received and reclaimed VAT in respect of conditional grants: Municipalities are reminded that in MFMA Circular 48, National Treasury determined that:
 - Interest received on conditional grant funds must be treated as 'own revenue' and its use by the municipality is not subject to any special conditions; and
 - 'Reclaimed VAT' in respect of conditional grant expenditures must be treated as 'own revenue' and its use by the municipality is not subject to any special conditions.
4. Appropriation of conditional grants that are rolled over – As soon as a municipality receives written approval from National Treasury that its unspent conditional grants have been rolled-over it may proceed to spend such funds (refer to MFMA Circular 51 for other arrangements in this regard).
5. Pledging of conditional grant transfers – the 2015 Division of Revenue Bill contained a provision that allows municipalities to pledge their conditional grants. The end date for the pledges is extended to 2017/18. The process of application as set out in MFMA Circular 51 remains unchanged.
6. Separate reporting for conditional grant roll-overs – National Treasury has put in place a separate template for municipalities to report on the spending of conditional grant roll-overs. Municipalities are reminded that conditional grant funds can only be rolled-over once, so if they remain unspent in the year in which they were rolled-over they MUST revert to the National Revenue Fund.
7. Payment schedule – National Treasury has instituted an automated payment system of transfers to municipalities in order to ensure appropriate safety checks are put in place. Only the primary banking details verified by National Treasury will be used for effecting transfers.
8. Conditional grant transfers/payments, the responsibilities of transferring and receiving authorities and the criteria for the rollover of conditional grants – It is important that the transfers made to municipalities' are transparent, and properly captured in the municipalities' budgets. MFMA Circular no: 67 in this regard refers. The criterion for the rollover of conditional grants is stipulated in MFMA Circular no: 51.

The Municipal Budget and Reporting Regulations

National Treasury has released Version 2.7 of Schedule A1 (the Excel Formats). This version incorporates minor changes (see Annexure A). Therefore ALL municipalities MUST use this version for the preparation of their 2015/16 Budget and MTREF.

Download Version 2.7 of Schedule A1 by clicking [HERE](#)

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver services by facilitating improved financial sustainability and better medium term planning. The regulations, formats and associated guides etc. are available on National Treasury's website at:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Pages/default.aspx>

Since 01 July 2009, all municipalities and municipal entities must prepare their annual budgets, adjustments budgets and in-year reports for the 2015/16 financial year in accordance



- The formats set out in Schedules A, B and C; and
- The relevant attachments to each of the Schedules (the Excel Formats).

- The municipality will be required to resubmit their documentation in the regulated format by a date determined by the National Treasury;
- The municipality's non-compliance with the required formats will be reported to the Auditor-General; and
- A list of municipalities that fail to comply with the required formats will be tabled in Parliament and the provincial legislatures.

If you require advice with the compilation of your budgets, the budget documents or Schedule A1 please direct your enquiries as follows:

	Responsible NT officials	Tel. No.	Email
Eastern Cape	Templeton Phogole Matjati Mashoeshoe	012-315 5044 012-315 6567	Templeton.Phogole@treasury.gov.za Matjati.Mashoeshoe@treasury.gov.za
Free State	Vincent Malepa Katlego Mabiletsa	012-315 5539 012-395 6742	Vincent.Malepa@treasury.gov.za Katlego.Mabiletsa@treasury.gov.za
Gauteng	Kgomotso Baloyi Nomxolisi Mawulana	012-315 5866 012-315 5460	Kgomotso.Baloyi@treasury.gov.za Nomxolisi.Mawulana@treasury.gov.za
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Mpumalanga	Jordan Maja Anthony Moseki	012-315 5663 012-315 5174	Jordan.Maja@treasury.gov.za Anthony.Moseki@treasury.gov.za
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North West	Sadesh Ramjathan Makgabo Mabotja	012-315 5101 012-315 5156	Sadesh.Ramjathan@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Western Cape	Vuyo Mbunge Kevin Bell Mlungisi Mthembu	012-315 5661 012-315 5725 012-395 6554	Vuyo.Mbunge@treasury.gov.za Kevin.Bell@treasury.gov.za Mlungisi.Mthembu@treasury.gov.za
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	Iqdataqueries@treasury.gov.za

It is the sixth year of the implementation of the Municipal Budget and Reporting Regulations and it is acknowledged that there is improvement in the number of municipalities complying with the required formats. However the quality of data contained in the A schedules and

supporting table is still a challenge. Municipalities should consider the following when compiling the 2015/16 MTREF budgets:

Budgeting for revenue on Table A2

Municipalities must include capital transfers and contributions in total operating revenue budgeted for on table A2. The total revenue will reconcile to operating revenue plus capital transfers and contributions as on table A4.

Budgeting for Asset Register value on Table A9

The total asset register summary – PPE (WDV) must include the capital budget expenditure for the budget year. e.g. 2015/16 total asset register summary should include the capital expenditure for 2015/16. Municipalities must ensure that the capital expenditure aligns to Table a5.

Completion of service delivery information on Table A10

It was observed that the completion of table A10 is still a challenge to most municipalities. During the assessment of the 2014/15 MTREF, it was observed that the table lacked credibility and municipalities were requested to make amendments and resubmit.

Municipalities must ensure that the table is correctly completed and accurate to depict their actual position. The information on the cost of providing free basic services and the revenue cost of providing services must be completed. In completing table A10 care must be given to the required unit of measure i.e. kilolitres, kilowatt-hour etc.

Budgeting for revenue foregone and free basic services to indigents

Regardless of the guidance provided on MFMA Circular 51 in relation to budgeting for revenue foregone, it was evident during the 2014/15 budget assessment process that municipalities are struggling to distinguish between revenue foregone and transfers and grants expenditure on table A4.

The key concept in determining the difference between revenue foregone and grants expenditure, is that a rates rebate that is 'generally available to all' is in practice an adjustment to the rates tariff. Therefore, the revenue was never there to be collected (the revenue was foregone), and should therefore not be considered to be revenue in the first instance. This is why it is deducted on Table SA1 - and the net amount is reflected on Table A4.

The provision of free basic services to the indigents must be budgeted for as non-cash flow grant expenditure on Table A4 supported by Table SA21. Since the municipality will not collect any revenue from indigents and free basic services to indigents are funded through the Equitable Share, this constitutes grant expenditure.

Tabling funded budgets

In MFMA Circular no. 72 it was highlighted that municipalities must budget for a surplus operating budget. National Treasury received enquiries from municipalities highlighting that the circular is in contradiction with MFMA Circular no. 55 which referred to budgeting for operating deficit. It should be noted that MFMA Circular no. 55 encouraged municipalities to budget for a moderate surplus on its Financial Performance Budget so as to be able to contribute to the funding of the Capital Budget. When the circular was issued, it was highlighted that there may be temporary circumstances that make this difficult; for instance the

implementation of GRAP 17, which may result in increased 'depreciation and asset impairment' that is not fully accommodated in the municipality's tariffs and as a result drives the operating budget into deficit.

MFMA Circular no. 59 was accordingly issued during March 2012, whereby table SA1 was amended to include under the detail of 'depreciation and asset impairment' 'depreciation resulting from the revaluation of PPE'. The effect is that the depreciation resulting from the revaluation of PPE will be deducted from the total depreciation on PPE, resulting in only the depreciation on the cost price being reflected in the statement of financial performance as an expense. Therefore, if the municipality's operating budget shows a deficit it is indicative that there are financial imbalances that need to be addressed. These problems may be related to a failure to collect revenues, tariffs that are too low or expenditures that are too high. The municipality needs to put in place appropriate strategies to address the problems causing a deficit, and explain these measures in its budget document.

It is critical that municipalities adopt and implement funded budgets as per Section 18 of the MFMA. Tables A7 and A8 which if completed correctly by the municipality, it will provide most of the information required to evaluate whether a municipality's operating and capital budgets are **funded** or not:

- *Table A7 Budgeted Cash Flows* shows how the municipality's operations are expected to impact on its cash position. If a municipality's cash position at year end is negative it is a strong indication that the overall budget is not funded; and
- *Table A8 Cash-backed reserves / accumulated surplus reconciliation* shows whether the municipality has sufficient cash and investments available to finance commitments and short term provisions and reserves. If the net results reflect a shortfall, this is an indication that the budget is not funded.

MBRR issues dealt with in previous MFMA Circulars

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54, 55 with regards to the following issues:

1. Budgeting for revenue and 'revenue foregone' – The 'realistically anticipated revenues to be collected' that must be reflected on the Budgeted Statement of Financial Performance (Tables A2, A3 and A4) must exclude 'revenue foregone'. The definition of 'revenue foregone' and how it is distinguished from 'transfers and grants' is explained in MFMA Circular 51.
2. Preparing and amending budget related policies – Information on all budget related policies and any amendments to such policies must be included in the municipality's annual budget document (refer to MFMA Circular 54).
3. 2013/14 MTREF Funding Compliance Assessment – All municipalities were required to perform the funding compliance assessment outlined in *MFMA Funding Compliance Guideline* and to include the relevant information outlined in MFMA Circular 55 in their 2015/16 budgets (refer to MFMA Circular 55).

Budget process and submissions for the 2015/16 MTREF

Over the past number of years there have been significant improvements in municipal budget processes. Municipalities are encouraged to continue their efforts to improve their budget processes based on the guidance provided in previous and current MFMA Circulars.

Once more, municipalities are reminded that the IDP review process and the budget process should be combined into a single process.

Submitting budget documentation and schedules for 2015/16 MTREF

To facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that *immediately* after an annual budget is tabled in a municipal council it must be submitted to the National Treasury and the relevant provincial treasury in both printed and electronic formats. The deadline for such submissions is Friday, **10 April 2015**.
- Section 24(3) of the MFMA, read together with regulation 20(1), requires that the approved annual budget must be submitted *within ten working days* after the council has approved the annual budget. So if the council only approves the annual budget on 30 June 2015, the date for such a submission is Tuesday, **14 July 2015**, otherwise an earlier date applies.

The municipal manager must submit:

- the budget documentation as set out in Schedule A of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and all the supporting tables (SA1 – SA37) in both printed and electronic format;
- the draft service delivery and budget implementation plan in both printed and electronic format;
- in the case of approved budgets, the council resolution;
- Signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations; and

Municipalities are required to send electronic versions of documents and the A1 schedule to lgdocuments@treasury.gov.za.

If the budget documents are too large to be sent via email (exceeds 4MB) please submit to lgbigfiles@gmail.com and inform the National Treasury official responsible for your province that the budget was submitted to this address to ensure that National Treasury is aware of your submission. Any problems experienced in this regard can be addressed with Elsabe Rossouw (email: Elsabe.Rossouw@treasury.gov.za).

Municipalities are required to send printed submissions of their budget documents and council resolution to:

For couriered documents

Ms Linda Kruger
National Treasury
40 Church Square
Pretoria, 0002

For posted documents

Ms Linda Kruger
National Treasury
Private Bag X115
Pretoria, 0001

After receiving tabled budgets, National Treasury will complete a compliance checklist. This checklist will indicate the level of compliance to the Municipal Budget and Reporting Regulations. A copy of the checklist will be sent to the municipality in order to facilitate



improvements in the quality of tabled and approved budgets. Please review the municipality's previous year performance and ensure that the gaps are addressed.

In addition to the above mentioned budget documentation, metropolitan municipalities must submit the Built Environment Performance Plan (BEPP) approved by council on 31 May 2015 to Yasmin.coovadia@treasury.gov.za.

Budget reform returns to the Local Government Database for publication

For publication purposes, municipalities are still required to use the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database. All returns are to be sent to lgdatabase@treasury.gov.za.

The aligned electronic returns may be downloaded from National Treasury's website at the following link: http://mfma.treasury.gov.za/Return_Forms/Pages/default.aspx.

Reporting in terms of section 71

Performance reporting template – all 278 municipalities must complete the quarterly SDBIP performance reports on the prescribed template as circulated with the request to verify the S71 quarterly reports and submit to lgdocuments@treasury.gov.za as it forms part of quarterly reporting.

Unbundling of debt – the debtors age analysis return makes provision for municipalities to select the category of the government department owing them. However municipalities capture the figures without selecting the relevant government department when completing the return. As the database stores the figures against a department, these unidentified departmental figures can therefore not be stored which results in discrepancies on the amount owed by individual government departments when compared to the total.

Municipalities must ensure that all figures are captured against a selected national or provincial department on the Age Debtors Analysis for Government (ADG) worksheet and are balanced.

Publication of budgets on municipal websites

In terms of section 75 of the MFMA all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, <http://mfma.treasury.gov.za/Pages/Default.aspx>. Municipalities are encouraged to visit it regularly as documents are regularly added / updated on the website.



Contact



national treasury

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Post Private Bag X115, Pretoria 0001
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JH Hattingh
Chief Director: Local Government Budget Analysis
12 December 2014



Annexure A – Changes to Schedule A1 – the ‘Excel formats’

As noted above, National Treasury has released Version 2.7 of Schedule A1 (the Excel Formats). It incorporates the following changes:

No.	Sheet	Amendment	Reason
1	A5	Insertion of a validity check formula.	Ensure that funding and expenditure balances.
2	A6	Insertion of a validity check formula.	Ensure that net assets and total community wealth balances.
3	A7	Insertion of receipts from property rates and service charges line items. Insertion of formulae linking A7 to SA30 for the MTREF.	Simplification of data gathering for determining the collection rate from main services.
4	A10	Insertion of new footnote.	Improve reporting of services provided including informal settlements.



Municipal Budget Circular for the 2015/16 MTREF

This circular provides further guidance to municipalities and municipal entities for the preparation of their 2015/16 Budgets and Medium Term Revenue and Expenditure Framework (MTREF). It must be read together with all previous MFMA Budget Circulars, and specifically MFMA Circular No. 74.

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1. Key focus areas for the 2015/16 budget process

1.1 The Medium Term Budget Review 2015

The 2015 Budget Review notes that the global economic outlook has weakened and the pattern of slow growth is likely to persist, with consequences for all developing economies. South Africa's gross domestic product (GDP) forecast for 2015 has also been revised down. The National Treasury projects GDP growth of 2 per cent in 2015, rising to 3 per cent by 2017. Average growth over the forecast period is 0.4 percentage points lower than at the time of the 2014 *Medium Term Budget Policy Statement*. Inadequate electricity supply, however, will impose a serious constraint on output and exports over the short term.

The slowdown in economic growth since 2012 has highlighted structural constraints in the domestic economy. Achieving faster sustainable growth and large-scale job creation will require structural shifts in the economy, stronger supply-side value chains, higher exports, moderation in wage increases and, crucially, growing private-sector investment based on confidence in the long-term business environment.

The 2015 Budget allocates resources to core social and economic priorities while containing aggregate expenditure growth. Spending plans give effect to the priorities of the NDP and the MTSF. Initiatives under way include: large public-sector infrastructure investments in electricity and transport; expanded partnerships to encourage private investment; better cooperation between government, the private sector, trade unions and civil society; incentives to attract new entrants in the economy; special economic zones to boost exports; programmes to reshape the urban spatial landscape; and programmes to improve the quality of education and skills development.

Fiscal constraints mean that transfers to municipalities will grow more slowly in the period ahead than they have in the past. Accordingly, municipalities must renew their focus on core service delivery functions and reduce costs without adversely affecting basic services. Furthermore they must ensure that efficiency gains, eradication of non-priority spending (cost containment measures) and the reprioritisation of expenditure relating to core infrastructure continue to inform the planning framework.

The state of the economy has an adverse effect on the consumers. As a result municipalities' revenues and cash flows are expected to remain under pressure. Furthermore municipalities should carefully consider affordability of tariff increases, especially as it relates to domestic consumers while considering the level of services versus the associated cost.

2. Division of Revenue Bill 2015

2.1 Transfers to local government 2015

Over the 2015 MTEF period, R313.7 billion will be transferred directly to local government and a further R31.9 billion has been allocated to indirect grants. Direct transfers to local government in 2015/16 account for 9.1 per cent of national government's non-interest expenditure, and when indirect transfers are added, total spending on local government increases to 10 per cent of national non-interest expenditure.



The 2015 Budget Review and the Division of Revenue Bill provides for no reductions to the baseline of the local government equitable share in order to protect funding for free basic services. The baseline allocation for local government conditional grants, however, has been reduced in the 2015 Budget as part of the fiscal adjustment announced in the 2014 *Medium Term Budget Policy Statement*. The reductions in 2015/16 range between 0.9 per cent and 5.5 per cent of the allocation for each grant, with larger reductions on slow-spending and non-infrastructure grants. In order to maintain planned outputs and ease the impact of reductions, grant administrators and municipalities need to spend funds efficiently and effectively and alleviate any unnecessary (non-priority) spending.

The allocations for priority grants such as the *integrated national electrification programme (INEP) grant* and the *municipal water infrastructure (MWIG) grant* will grow significantly. Over the MTEF, the INEP grant grows at an average annual rate of 14.9 per cent and the MWIG at an average of 52.2 per cent, including both direct and indirect grant allocations. An addition of R2.4 billion has been made to the MWIG and the *regional bulk infrastructure grant* over the MTEF period to accelerate the provision of basic water supply to all households and improve the state of water services infrastructure nationwide.

A new grant has also been introduced to subsidise the costs of municipalities that will be merged before the 2016 local government elections as a result of demarcation changes. This grant is allocated R139 million over the MTEF specifically for municipalities that will be impacted by the changes in KwaZulu-Natal and Gauteng. The effect of further changes to demarcations proposed by the Minister of Cooperative Governance and Traditional Affairs and currently being considered by the Municipal Demarcation Board (MDB) will be considered as part of the 2016 budget process for any changes that are approved by the MDB. Municipalities should therefore not budget for the proposed changes in 2015/16.

The 2015 Budget document is available on the National Treasury website at:

<http://www.treasury.gov.za/documents/national%20budget/2015>

In addition, National Treasury will send out allocation letters informing each municipality of its equitable share, national conditional grants and provincial transfers (as reflected in the relevant provincial budget and gazette).

Municipalities must ensure that their tabled budgets reflect the equitable share and conditional grant allocations set out in the 2015 Division of Revenue Bill.

2.2 Changes in the 2015 Division of Revenue Bill

Review of local government infrastructure grants

The collaborative review of the local government infrastructure grant system led by the National Treasury is still underway. The first phase of the review, completed in 2014, identified two necessary reforms that will be made in 2015/16:

- The rules in the *municipal infrastructure grant* will be amended to allow funds to be used to refurbish and replace infrastructure, but only if municipalities demonstrate that assets have been maintained on a regular basis. Maintenance must be budgeted for as part of the normal business of municipalities.
- The number of conditional grants will be reduced to ease the burden of grant reporting. The two public transport grants will merge in 2015/16 into a single *public transport network grant*. The number of water and sanitation grants is also likely to be reduced from 2016/17.



Further changes to local government infrastructure grants will be announced in the 2015 MTBPS. In preparing for 2016/17 grant allocations, municipalities are advised to continue preparing business plans and project plans for the existing grants as there will be a phase-in period for any changes to the grant system.

The *local government financial management grant (FMG)* and the *municipal systems improvement grant (MSIG)* provides funds for the implementation of the Municipal Standard Chart of Accounts (mSCOA).

Other changes to local government allocations are more technical and reflect the shift of funds between direct and indirect grants, and the impact of the national macro-organisation of the state that followed the 2014 national elections. For example, the sanitation function, including all sanitation-related grants, has shifted from the Department of Human Settlements to the Department of Water and Sanitation.

2.3 Shaping urban development to support growth in cities

South Africa's cities continue to reflect the spatial legacy of apartheid, which impedes economic growth. Cities must play a leading role in driving urban investment programmes, including a pro-active role in introducing new financing arrangements. Over the next three years, government will expand investment in the urban built environment, using resources more effectively to transform human settlements, and drawing in private investment to support more dynamic and inclusive economic growth. The 2015 Budget inaugurates a fundamental realignment in achieving these goals.

The National Treasury will introduce a new fiscal package to help large cities to mobilise the resources necessary to implement strategic investment projects. All participating metros are expected to make measurable commitments to good governance, and effective revenue and expenditure management. The new package includes:

- Modifying the infrastructure grant system to support greater alignment of public resources and to ensure that public investments, services, regulations and incentives are focussed in defined spatial areas (integration zones) to optimise overall access, connectivity and efficiency enabling spatial transformation and inclusive urban economic growth;
- Development of mixed-use and mixed-income precincts and catalytic projects to attract private financial and implementation partnerships. Grants will be consolidated, conditions streamlined, and allocations made more predictable and responsive to the needs of specific investment projects. Furthermore, performance-based allocations to reward cities that demonstrate progressive changes in their urban form, improve access to basic services, reduce barriers to social and economic opportunity, and improve mobility of urban residents will be strengthened;
- Focusing the Neighbourhood Development Partnership Grant to support the identification, development and management of strategic nodes in dense urban townships and township clusters in order to serve as transit orientated precincts;
- Reforming the system of development charges to improve fairness and transparency, and reduce delays in infrastructure provision for private land developments;
- Expanding opportunities for private investment in municipal infrastructure through the Development Bank of Southern Africa (DBSA) increasing its origination of longer-term loans, packaging pooled finance instruments, where appropriate, and supporting the introduction of new lending instruments such as revenue bonds; and



- Reviewing the sustainability of existing own-revenue sources for metropolitan municipalities, particularly in light of their expanding responsibilities in public transport and human settlements.

Metropolitan municipalities should announce further details on their investment plans when they table their 2015/16 budget. Furthermore, cities need to improve their collection of own revenue as a greater share of capital investment needs to come from own generated revenue, in partnership with the private sector.

3. Headline inflation forecasts

Municipalities must take the following macro-economic forecasts into consideration when preparing their 2015/16 budgets and MTREF.

Fiscal year	2014 Actual	2015 Estimate	2016 Forecast	2017 Forecast	2018 Forecast
Real GDP growth	2.2	1.4	2.0	2.6	3.0
CPI Inflation	5.8	5.6	4.8	5.9	5.6

Source: Budget Review 2015

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

4. Revising rates, tariffs and other charges

4.1 Eskom bulk tariff increases

On the 29 January 2015, NERSA approved and published guidelines on municipal electricity price increase for the 2015/16 financial year. A guideline increase of **12.20 per cent** has been approved based on the following assumptions:

- Bulk purchases have increased by 14.24 per cent in line with Eskom's electricity tariff increase to municipalities;
- A consumer price index (CPI) of 6.3 per cent as indicated in the Medium Term Budget Policy Statement (MTBPS) 2014;
- Salary and wage increases; and
- Repairs and maintenance, capital charges and other costs have increased by the CPI.

It should be noted that the guideline is not an automatic increase in tariffs. Therefore all municipalities with distribution licenses are still required to apply to NERSA for the approval of their tariffs.

4.2 Electricity levy increase

During his budget speech on 25 February 2015, the Minister of Finance announced that the electricity levy will be increased by 2 cents per kWh. A special municipal circular will be issued in due course to guide municipalities on the implementation of the 2 cents per kWh electricity levy. In the interim municipalities are advised to use the guideline issued by NERSA to set their tariffs for the 2015/16 financial year.

5. Funding choices and management issues

5.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2012 to 30 June 2015 has come to an end. The South African Local Government Association issued a press release on 03 March 2015 indicating that it tabled the following offer for salaries and wages increase:

- 2015/16 Financial Year – 4.4 per cent (inflation linked)
- 2016/17 and 2017/18 Financial Years – inflation related increase plus additional 0.25 per cent

As the negotiations are still underway, municipalities are advised to use the above proposed guidelines in preparing their 2015/16 budgets.

5.2 Remuneration of councillors

Municipalities are advised to budget for the actual costs approved in line with the gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published by the Department of Cooperative Governance and Traditional Affairs. The gazette for 2015 will be released in due course. Municipalities are advised to refer to the circular issued on 23 January 2015 by the Department of Cooperative Governance and Traditional Affairs.

5.3 Budgeting for contingency plans for prolonged power outages

Municipalities have indicated that they are in the process of implementing contingency plans to address Eskom power outages such as the procurement of generators and indicated the need for funding from national government. The government is collectively working with Eskom to mitigate the impact of power cuts. These efforts will improve the availability of electricity over the medium term, and plans are under way to ensure that South Africa can generate sufficient energy to power its economy over the long term. The government therefore consistently encourages a reduction in energy consumption and promotion of energy efficiency.

Consequently the response from government is to address the immediate challenge and it would therefore be premature for municipalities to invest in contingency infrastructure with the expectation of funding.

5.4 Service level standards

MFMA circular No. 72 indicated that all municipalities must formulate service level standards which must form part of the 2015/16 tabled MTREF budget documentation. The service level standards need to be tabled before the municipal council for formal adoption. A broad guideline was provided on the minimum service standards to be incorporated in the budget documentation. In addition to the guideline, a framework was developed as an outline to assist municipalities in finalising their service level standards. The outline can be accessed by clicking [HERE](#).

It is acknowledged that it is not possible to have the same service level standards across all municipalities. Therefore the outline must be used as a guideline and be amended accordingly to align to the municipality's specific circumstances. Municipalities should also refer to other guidelines issued by other institutions available on the link indicated above.

5.5 Non-payment of Eskom and water boards as creditors

Section 65(2)(e) of the Municipal Finance Management Act, 2003 (MFMA, Act No. 56 of 2003) clearly states that "The accounting officer of a municipality is responsible for the management

of the expenditure of the municipality" and "that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure".

It has become a common trend between certain municipalities that outstanding debt to Eskom and the water boards is not prioritised for payment. ***Municipalities are cautioned that if they do not immediately settle the current accounts of Eskom and the water boards, the March 2015 tranche of the Equitable Share will be withheld.*** In addition, the payment arrangements to address arrear amounts must be concluded by relevant municipalities, implemented and effected in the budget.

Furthermore, going forward municipalities will be closely monitored and those found to be averting payment to Eskom and the water boards will be deemed as contravening the MFMA and consequently section 216(2) of the Constitution will be imposed.

Municipalities are also reminded of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, which the Minister of Finance promulgated on 31 May 2014. Failure by the Accounting Officer to comply with the requirements of section 65(2)(e) of the MFMA is an act of financial misconduct as defined in section 171 of the MFMA and municipalities is obliged to deal with such breach in terms of the regulations mentioned above.

5.6 VAT on Conditional Grants

Guideline was provided in MFMA Circular No. 58 that ALL conditional grant allocations in the Division of Revenue Act (DoRA) are VAT inclusive, i.e. national government has budgeted to pay the VAT inclusive price of the goods and services purchased by municipalities using conditional grant funding. Further guidelines were issued in MFMA Circular No. 59 on assessing VAT consequences of transactions involving the equitable share grant and conditional grants.

It is critical that municipalities distinguish between the following:

- *Transaction one – the transfer of funds from national or provincial government to a municipality.* The VAT on these transactions is zero-rated, and therefore the issue of paying and reclaiming VAT related to these transactions does not arise.
- *Transaction two – the expenditure of the grant funds by the municipality.* These transactions are subject to the normal VAT provisions. Depending on the nature of goods and services purchased the municipality may or may not be required to pay input VAT.

Municipalities are still advised to follow the guideline provided in the above-mentioned circulars as the position has not changed. Further reference should also be made to the **VAT 419 Guideline for Municipalities**.

6. mSCOA Training

6.1 Non-accredited training

The National Treasury will embark on non-accredited training for pilot municipalities during April and May 2015 as per the dates in the table below. Please note that this training is only for pilot municipalities, applicable vendors and provincial treasuries. The training will be on a nomination and invitational basis.

Province	Dates
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KwaZulu-Natal	14-15 April 2015
Limpopo	
Mpumalanga	
Free State	
Northern Cape	21-22 April 2015
Eastern Cape	
Western Cape	
Gauteng	5 – 6 May 2015
North West	

Non- accredited training will be provided to the metropolitan municipalities in 2 sessions on 05 and 06 May 2015. This training is intended to provide piloting stakeholders with a broader understanding of the mSCOA classification framework, typical transactional environment and linkage to reporting as part of the piloting output.

6.2 Accredited training

The National Treasury is in the process of developing the necessary unit standards for municipal SCOA (mSCOA). These unit standards will be accredited by LGSETA during the 2015 calendar year. National Treasury will develop unit standards aligned training material that will be accredited by LGSETA to be rolled out to all municipalities from the beginning of the 2016 calendar year.

National Treasury will also embark on a process of accreditation of service providers and more particularly facilitators and assessors to be able to roll out the unit standard aligned training from the beginning of the 2016 calendar year and guidelines in this regard will be issued towards the end of 2015.

6.3 mSCOA training provided by service providers

National Treasury is aware of the need to train all municipalities on mSCOA within a tight timeline to ensure that municipalities are in the position to be mSCOA compliant by 01 July 2017. On the same token National Treasury is aware of service providers engaging with municipalities that are offering mSCOA training. **Municipalities need to take note that currently there is no formal unit standard and no service provider can offer accredited training as it relates to the mSCOA. Consequently, municipalities are advised to refrain from entering into agreements with training service providers as it would constitute fruitless and wasteful expenditure.**

It is however acknowledged that there exists a need for broader mSCOA awareness and municipalities are advised to directly contact the National Treasury and respective Provincial Treasury to facilitate and consider these requests. Service providers that are approached to facilitate such awareness sessions should also directly liaise with the National Treasury. Municipalities are reminded to adhere to the supply chain management requirements at all times. In this regard municipalities are informed that there are limited specialists in this field at this point in time.

Please note that the current material available on the National Treasury's website (One day training – Demystify mSCOA) is available for use by all parties and no service provider is allowed to charge any fee for this material.

7. Conditional Grant Transfers to Municipalities

Section 214 of the Constitution provides for national government to transfer resources to municipalities in terms of the annual DoRA to assist them in exercising their powers and

performing their functions. These allocations are announced annually in the national budget. Transfers to municipalities from national government are supplemented with transfers from provincial government. Furthermore, transfers are also made between district municipalities and local municipalities.

The DoRA provides for funds to be allocated in different 'schedules'. Each of the schedules provide for grants of a particular type as follows:

Schedule 1		Equitable division of revenue raised nationally among the three spheres of government
Schedule 2		Determination of each province's equitable share of the provincial sphere's share of revenue raised nationally (as a direct charge against the National Revenue Fund)
Schedule 3		Determination of each municipality's equitable share of the local government sphere's share of revenue raised nationally
Schedule 4	Part A	Allocations to provinces to supplement the funding of programmes or functions funded from provincial budgets
	Part B	Allocations to municipalities to supplement the funding of programmes or functions funded from municipal budgets
Schedule 5	Part A	Specific purpose allocations to provinces
	Part B	Specific purpose allocations to municipalities
Schedule 6	Part A	Allocations-in-kind to provinces for designated special programmes
	Part B	Allocations-in-kind to municipalities for designated special programmes
Schedule 7	Part A	Allocations to provinces for immediate disaster response
	Part B	Allocations to municipalities for immediate disaster response

It is important that the transfers applicable to municipalities are made transparently, and properly captured in municipalities' budgets. In this regard, regulation 10 of the *Municipal Budget and Reporting Regulations* provides guidance on when municipalities should reflect a transfer or donation in their budgets. Note that promises of funds that do not meet the requirements set out in regulation 10 must not be included in the municipality's budget.

Municipalities are advised not to provide for transfers from national or provincial departments that are not gazetted in terms of the 2015 Division of Revenue Act (once enacted) or the relevant provincial budget, or for which a properly approved agency agreement is not in place. Such ad hoc transfers are very often unauthorised expenditure at the national and provincial level, and are invariably related to fiscal dumping.

Also note that grants-in-kind (e.g. capital assets transferred by a district to a local municipality) need to be budgeted for as a 'transfer or grant' on Table A4 by the district municipality (and not on their Table A5 (Budgeted Capital Budget – since the expenditure does not get capitalised), and as a 'contributed asset' on Table A4 (Budgeted Financial Performance) by the local municipality, and from there directly on Table A6 (Budgeted Financial Position).

In support of regulation 10 of the *Municipal Budget and Reporting Regulations*, the 2015 Division of Revenue Bill provides that –

1. In terms of section 16, National Treasury is required to publish in the *Government Gazette* the allocations and indicative allocations for all national grants to municipalities;
2. In terms of section 30, each provincial treasury is required to publish in the *Government Gazette* the allocations and indicative allocations per municipality for every allocation to be made by the province to municipalities from the province's own funds; and
3. In terms of section 29, each category C municipality must indicate in its budget all allocations from its equitable share and conditional allocations to be transferred to each category B municipality within the category C municipality's area of jurisdiction.

The Government Gazette reflecting the allocations and indicative allocations for all national grants to municipalities will be available within 14 days of the 2015 Division of Revenue Act being signed into law at the following address:

<http://www.treasury.gov.za/legislation/bills/2015/Default.aspx>

In addition, National Treasury publishes a payment schedule that sets out exactly when the equitable share and national conditional grant funds are to be transferred to municipalities.

This will be available at:

http://mfma.treasury.gov.za/Media_Releases/Municipal%20Payment%20Schedule/Pages/default.aspx

7.1 Timing of municipal conditional grant transfers

In order to facilitate synchronisation of the national / provincial financial year (01 April to 31 March) with the municipal financial year (01 July to 30 June), the 2015 Division of Revenue Bill requires that all equitable share and Schedule 4 and 5 conditional allocations to municipalities must be transferred to municipalities within the period 01 July 2015 to 31 March 2016. Municipalities must not accept any equitable share or Schedule 4 and Schedule 5 transfers from national or provincial departments outside of these timeframes.

National and provincial departments are also advised to only transfer grant funds and to only make agency payments to municipalities within the period 01 July 2015 to 31 March 2016. This is to ensure the municipality is able to include such funds on its budget for 2015/16 and to ensure that reporting on the use of the funds is properly aligned across the national, provincial and municipal financial years.

7.2 Payment schedule for transfers

National Treasury has instituted an automated payment system for transfers to municipalities in order to ensure that appropriate safety checks are put in place.

Section 23 of the 2015 Division of Revenue Bill requires transfers to municipalities to be made as per the approved payment schedule published by National Treasury. Through this system, any transfers not in line with the payment schedule will be rejected. In addition, if the payment details of the municipality are not up-to-date the transfers will also be rejected.

7.3 Provincial allocations and payment schedules

Provincial Treasuries must publish in a gazette all provincial allocations envisaged to be transferred to municipalities and submit the gazette to National Treasury on a date not later than 14 days after the Division of Revenue Act has been enacted.

Provinces must also submit to the National Treasury the payment schedule against all provincial allocations to municipalities 14 days after the Act takes effect. The payment schedule must include the date of transfer, the amount and the name of the grant. The



Provincial Treasuries must notify the receiving officers of any deviations from the payment schedule. The payment schedules that provincial treasuries are required to submit to National Treasury in terms of section 30(5) of the 2015 Division of Revenue Bill will be published on National Treasury's website, along with the national payment schedule.

7.4 Relationship between Category C and Category B municipalities

The Division of Revenue Bill (DoRB) provides that the revenues raised nationally in respect of the 2015/16 financial year must be divided among the national, provincial and local spheres of government. Furthermore, section 29 of the DoRB states that category C municipality must, within 10 days after the Act takes effect, submit to the National Treasury and all category B municipalities within that municipality's area of jurisdiction, the budget, as tabled in accordance with section 16 of the MFMA, for the 2015/16 financial year.

Transfers are always made to the municipality (district or local) authorised to perform a function. In cases where basic services functions are assigned to district municipalities National Treasury publishes, for information purposes, the amounts that would have been allocated to each local municipality through the formulas for the local government equitable share and municipal infrastructure grant if local municipalities were assigned these basic services functions. These amounts are published in Appendix W1 and Appendix W2 to the 2015 Division of Revenue Bill (see pages 271-284 of the Bill).

The budget of a category C municipality must indicate all allocations from its equitable share and conditional allocations to be transferred to each category B municipality within the category C municipality's area of jurisdiction and disclose the criteria for allocating funds between the category B municipalities. The following practical arrangement will apply:

- Step 1: District Municipality (category C municipality) must when tabling their budgets indicate which municipalities within their area of jurisdiction will receive allocations from the municipality;
- Step 2: After the DoRA takes effect the District Municipality must within 10 days submit the tabled budget that contains allocations to be made to category B municipalities;
- Step 3: The District Municipality must share with the municipalities within its jurisdiction how much is allocated to them, what criteria was used to make allocations and agree with the affected municipalities on how the monies are going to be disbursed. The disbursement schedule (payment schedule) must be sent to National Treasury and respective Provincial Treasury before the beginning of the municipal financial year;
- Step 4: The District Municipality, having the authority to provide municipal services, must before implementing any capital project consult with the category B municipality affected and agree in writing through a Service Level Agreement (SLA) who will be responsible for operational costs and collection of rates; and
- Step 5: District Municipality must make transfers to their local municipalities according to the agreed upon payment schedule.

National Treasury may withhold or stop any funding allocated to a category C municipality and reallocate it to a category B municipality if the category C municipality fails to:

- i) make allocations to their respective municipalities within their jurisdiction;
- ii) reach an agreement with the category B municipality; and
- iii) submit the payment schedule to National Treasury and respective Provincial Treasury.

7.5 Responsibilities of transferring and receiving authorities

The legal obligations placed on transferring and receiving officers in terms of the 2015 DoRB are very similar to previous requirements. National Treasury intends ensuring strict compliance in order to improve spending levels, and the quality of information relating to the management of conditional grants.

Municipalities are again reminded that compliance with the annual DoRA is the responsibility of the municipal manager as the "receiving officer". The municipal manager is responsible for, among other things, the tabling of monthly reports in council on whether or not the municipality is complying with the DoRA. He/she is also responsible for reporting on any delays in the transfer or the withholding of funds. Failure on the part of a municipal manager to comply with the Act in this regard will have financial implications for the municipality as it will lead to the municipality losing revenue when funds are stopped and/or reallocated.

Where the municipality is unable to comply, or requires an extension, the municipal manager must apply to the National Treasury and provide comprehensive motivation for the non-compliance.

7.6 Criteria for the rollover of conditional grant funds

Section 22 of the 2014 Division of Revenue Act requires that any conditional grants which are not spent at the end of the municipal financial year must revert to the National Revenue Fund, unless the receiving officer proves to the satisfaction of National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When applying to retain unspent conditional allocations committed to identifiable projects or requesting a rollover in terms of section 22(2) of the Division of Revenue Act, municipalities must supply National Treasury with the following information –

1. A formal letter addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2014 DoRA. The letter must be signed by the accounting officer;
2. List of all the projects that are linked to the unspent conditional grants and indicate how much was allocated and spent per project;
3. Evidence that work on each of the projects has commenced, namely either of the following:
 - a. Proof that the project tender was published and the period for tender submissions closed before 31 March; or
 - b. Proof that a contractor or service provider was appointed for delivery of the project before 30 June.
4. A progress report (also in percentages) on the state of implementation of each of the projects;
5. The amount of funds committed to each project, and the conditional allocation from which the funds come;
6. Reasons why the grants were not fully spent in the year that it was originally allocated as per the DoRA;
7. Municipalities must not include previous year's unspent conditional grants as a rollover request. Rollover of rollovers will not be considered;
8. An indication of the time-period within which the funds are to be spent; and
9. Proof that the Chief Financial Officer and Municipal Manager are permanently appointed.
No rollover requests will be considered for municipalities with vacant or acting chief financial officers and Municipal Managers for a period exceeding 4 months.



If any of the above information is not provided or the application is received by National Treasury after 31 August 2015, the application will be declined.

In addition, National Treasury will also take into account the following information when assessing rollover applications, and reserves the right to decline an application if there is non-performance by the municipality in any of these areas:

1. Compliance with the in-year reporting requirements in sections 71 and 72 of the MFMA and section 12 of the 2014 DoRA, including the municipal manager and chief financial officer signing-off on the information sent to National Treasury;
2. Submission of the pre-audit Annual Financial Statements information to National Treasury by 31 August 2015;
3. Accurate disclosure of grant performance in the 2014/15 pre-audit Annual Financial Statements;
4. Under no circumstance would the National Treasury approve the entire allocation of the municipality i.e. The municipality must spend a minimum of 50 per cent of the allocation per programme;
5. Cash available in the bank as at 30 June 2015 and in line with the cash flow statements to finance the roll-over request;
6. No approval will be granted for municipalities requesting roll over of the same grant for the 3rd consecutive time; and
7. Incorporation of the Appropriation Statement (discussed in point 6.7 below) as part of the pre-audit Annual Financial Statements.

When approving any rollover requests, National Treasury will use the latest conditional grant expenditure information available at the time, which in this instance is likely to be the disclosure of grant performance in the 2014/15 pre-audit Annual Financial Statements which must be concluded by 31 August 2015.

Similar to the above mentioned rollover process and in accordance with section 22(3)(b) of Division of Revenue Act, provincial treasuries are encouraged to institute measures and criteria for the rollover of conditional grant funds that municipalities receive from provincial departments. Refer to MFMA Budget Circular No.51 for more information.

7.7 Unspent conditional grant funds for 2014/15

The process to ensure the return of unspent conditional grants for the 2014/15 financial year will be managed in accordance with section 22 of the DoRA. In addition to the previous MFMA circulars, the following practical arrangements will apply –

- Step 1: Municipalities must submit their June 2015 conditional grant expenditure reports according to section 71 of the MFMA reflecting all accrued expenditure on conditional grants and further ensure that expenditures reported to both National Treasury and national transferring officers are the same.
- Step 2: When preparing their annual financial statements a municipality must determine what portion of each national conditional allocation it received remained unspent as at 30 June 2015. These amounts **MUST** exclude all interest earned on conditional grants, retention and all VAT related to conditional grant spending that has been *reclaimed from SARS*, which must be disclosed separately.
- Step 3: If the receiving officer wants to motivate in terms of section 22(2) of the DoRA 2014 that the funds are committed to identifiable projects or wants to propose an alternative payment method or schedule, the required information must be submitted to National Treasury by 31 August 2015. **National Treasury will not consider any rollover requests that are incomplete (see item 7.6 below) or that are received after this deadline.**



- Step 4: National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on the evidence that the funds are committed to identifiable projects by **02 October 2015** or whether it has agreed to any alternative payment arrangement or schedules.
- Step 5: A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment agreement with National Treasury to the National Revenue Fund by **23 October 2015**. Failure to return these unspent funds by this date will constitute financial misconduct in terms of section 34 of the DoRA.
- Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 23 October 2015 will be offset against the municipality's November 2015 equitable share allocation unless the municipality has agreed to an alternative payment arrangement or schedule.

All the calculations of the amounts to be surrendered to the National Revenue Fund will be audited by the Auditor-General.

7.8 Appropriation statement (Reconciliation: Budget and in-year performance)

In terms of GRAP 24 (Presentation of budget information in AFS) municipalities are required to present their original and adjusted budgets against the actual outcome in the annual financial statements; this is considered an appropriation statement. This statement is subject to auditing and accordingly supporting documentation would be required to substantiate the compilation of this statement. All municipalities were required to compile an appropriation statement with the 2012/13 AFS.

Many municipalities neglected to compile the appropriation as part of their 2012/13 AFS. National Treasury considers this non-compliance in a serious light and going forward the incorporation of an appropriation statement in the AFS will form part of the *evaluation criteria in considering and approving conditional grant rollovers. In the absence of an appropriation statement National Treasury will not consider conditional grant roll over applications.*

7.9 Reporting and accounting for municipal approved conditional grant roll-overs

All reporting on rollover approvals must be reported to respective treasuries, national transferring officers and provincial departments responsible for monitoring the conditional grants.

A municipality must report separately on the spending of approved conditional grant roll overs. National Treasury will provide a separate reporting template to facilitate this. This template must be submitted together with the normal in-year template for reporting conditional grant spending for the year. The template is customised per municipality and must be requested by e-mail: lgdataqueries@treasury.gov.za.

8. The Municipal Budget and Reporting Regulations

National Treasury has released Version 2.7 of Schedule A1 (the Excel Formats). This version incorporates minor changes (see Annexure A). Therefore ALL municipalities MUST use this version for the preparation of their 2015/16 Budget and MTREF.

Download Version 2.7 of Schedule A1 by clicking [HERE](#)

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver services by



facilitating improved financial sustainability and better medium term planning. The regulations, formats and associated guides etc. are available on National Treasury's website at:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Pages/default.aspx>

Municipalities are required to submit their budget related electronic returns to lgdatabase@treasury.gov.za for both the draft budget and the final adopted budget. This will assist the National and Provincial Treasuries with the benchmark process.

8.1 Assistance with the compilation of budgets

If you require advice with the compilation of your budgets, the budget documents or Schedule A1 please direct your enquiries as follows:

	Responsible NT officials	Tel. No.	Email
Eastern Cape	Templeton Phogole	012-315 5044	Templeton.Phogole@treasury.gov.za
	Matlatji Mashoeshoe	012-315 6567	Matlatji.Mashoeshoe@treasury.gov.za
Free State	Vincent Malepa	012-315 5539	Vincent.Malepa@treasury.gov.za
	Katlego Mabiletsa	012-395 6742	Katlego.Mabiletsa@treasury.gov.za
Gauteng	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
	Nomxolisi Mawulana	012-315 5460	Nomxolisi.Mawulana@treasury.gov.za
KwaZulu-Natal	Bernard Mokgabodi	012-315 5936	Bernard.Mokgabodi@treasury.gov.za
	Johan Botha	012-315 5171	Johan.Botha@treasury.gov.za
	Walter Munyai	012-395 6793	Walter.Munyai@treasury.gov.za
Limpopo	Una Rautenbach	012-315 5700	Una.Rautenbach@treasury.gov.za
	Sifiso Mabaso	012-315 5952	Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Jordan Maja	012-315 5663	Jordan.Maja@treasury.gov.za
	Anthony Moseki	012-315 5174	Anthony.Moseki@treasury.gov.za
Northern Cape	Willem Voigt	012-315 5830	Willem.Voigt@treasury.gov.za
	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
North West	Sadesh Ramjathan	012-315 5101	Sadesh.Ramjathan@treasury.gov.za
	Makgabo Mabotja	012-315 5156	Makgabo.Mabotja@treasury.gov.za
Western Cape	Vuyo Mbunge	012-315 5661	Vuyo.Mbunge@treasury.gov.za
	Kevin Bell	012-315 5725	Kevin.Bell@treasury.gov.za
	Mlungisi Mthembu	012-395 6554	Mlungisi.Mthembu@treasury.gov.za
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	lgdataqueries@treasury.gov.za

National Treasury, working with the provincial treasuries, will carry out a compliance check and where municipalities have not provided complete information, the budgets will be referred back to the Mayor and municipal manager. Municipal managers are reminded that the annual budget must be accompanied by a 'quality certificate' in accordance with the format set out in item 31 of Schedule A in the Municipal Budget and Reporting Regulations. The National Treasury would like to emphasise that where municipalities have not adhered to the Municipal Budget and Reporting Regulations, **those municipalities will be required to go back to the municipal council and table a complete budget document aligned to the requirement of the Municipal Budget and Reporting Regulations.**

Municipalities with municipal entities are once again reminded that they need to produce consolidated budgets and in-year reports for both the parent entity and entity in that they need to produce:

- An annual budget, adjustment budget and monthly financial statements for the parent municipality in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial statements for the parent municipality and all its municipal entities in the relevant formats.

In addition, the A Schedule that the municipality submits to National Treasury must be the consolidated budget for the municipality (plus entities) and not the budget of the parent municipality.

8.2 Benchmarking process

National Treasury and provincial treasuries will be conducting benchmark budget hearings on the municipalities' tabled budgets during April and early May 2015 to assess whether the budgets are realistic, sustainable and relevant, and the extent to which they are funded in accordance with the requirements of the MFMA. In this regard, National Treasury will communicate further with the non-delegated municipalities, while the provincial treasuries will communicate with their respective delegated municipalities.

Municipalities are required to table the reports and recommendations provided by the respective treasury in Council and submit a copy of the council resolution in this regard to National Treasury and the respective Provincial Treasury.

8.3 The difference between the collection rate on table SA8 and SA10

The collection rate (cash receipts % of ratepayer & other revenue) on table SA10 - Funding measurement, is a cash collection rate calculated on operating revenue at the rate at which funds are 'collected'. This measure is intended to analyse an underlying conservative assumed collection rate; i.e. how much cash is expected to be collected from property rates, service charges and other revenue (excluding grants and interest earned).

The collection rate (cash receipts % of ratepayer & service charges) on table SA8 - Performance indicators and benchmarks row 18 refers to a "Current Consumer Debtors Collection Rate" - this measure is intended to analyse the actual consumer collection rate from property rates and service charges only, excluding other revenue.

9. Budget process and submissions for the 2015/16 MTREF

Over the past number of years there have been significant improvements in municipal budget processes. Municipalities are encouraged to continue their efforts to improve their budget processes based on the guidance provided in previous and current MFMA Circulars.

Once more, municipalities are reminded that the IDP review process and the budget process should be combined into a single process. Municipalities are reminded to prepare for the budget verification process that will be undertaken on the adopted budgets.

9.1 Tabling of the MFMA budget circular in municipal council

Municipalities are advised to table the annual municipal budget Circulars in council together with the budget documents.

9.2 Submitting budget documentation and schedules for 2015/16 MTREF

To facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:



- Section 22(b)(i) of the MFMA requires that *immediately* after an annual budget is tabled in a municipal council it must be submitted to the National Treasury and the relevant provincial treasury in both printed and electronic formats. If the annual budget is tabled to council on 31 March 2015, the final date of submission of the electronic budget documents and corresponding electronic returns is **Wednesday, 01 April 2015**. The deadline for submission of hard copies including council resolution is **Friday, 10 April 2015**.
- Section 24(3) of the MFMA, read together with regulation 20(1), requires that the approved annual budget must be submitted *within ten working days* after the council has approved the annual budget. If the council only approves the annual budget on 30 June 2015, the final date for such a submission is Tuesday, **14 July 2015**, otherwise an earlier date applies.

The municipal manager must submit:

- the budget documentation as set out in Schedule A of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and all the supporting tables (SA1 – SA37) in both printed and electronic format;
- the draft service delivery and budget implementation plan in both printed and electronic format;
- the draft integrated development plan;
- in the case of approved budgets, the council resolution;
- Signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations; and
- Signed budget locking certificate as found on the website.

Municipalities are required to send electronic versions of documents and the A1 schedule to lgdocuments@treasury.gov.za.

If the budget documents are too large to be sent via email (exceeds 4MB) please submit to lgbigfiles@gmail.com; any problems experienced in this regard can be addressed with Elsabe Rossouw (email: Elsabe.Rossouw@treasury.gov.za).

Municipalities are required to send printed submissions of their budget documents and council resolution to:

For couriered documents

Ms Linda Kruger
National Treasury
40 Church Square
Pretoria, 0002

For posted documents

Ms Linda Kruger
National Treasury
Private Bag X115
Pretoria, 0001

In addition to the above mentioned budget documentation, metropolitan municipalities must submit the Built Environment Performance Plan (BEPP) approved by council on 31 May 2015 to Yasmin.coovadia@treasury.gov.za.



9.3 Budget reform returns to the Local Government Database for publication

For publication purposes, municipalities are still required to use the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database. All returns are to be sent to lgdatabase@treasury.gov.za.

Returns for the 2015/16 budget must be submitted to the Local Government Database by the latest **24 July 2015**.

The aligned electronic returns may be downloaded from National Treasury's website at the following link: http://mfma.treasury.gov.za/Return_Forms/Pages/default.aspx.

9.4 Publication of budgets on municipal websites

In terms of section 75 of the MFMA all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, <http://mfma.treasury.gov.za/Pages/Default.aspx>. Municipalities are encouraged to visit it regularly as documents are regularly added / updated on the website.

Contact



national treasury

Department
National Treasury
REPUBLIC OF SOUTH AFRICA

Post Private Bag X115, Pretoria 0001
Phone 012 315 5009
Fax 012 395 6553
Website <http://www.treasury.gov.za/default.aspx>

JH Hattingh
Chief Director: Local Government Budget Analysis
09 March 2015



As noted above, National Treasury has released Version 2.7 of Schedule A1 (the Excel Formats). It incorporates the following changes:

No.	Sheet	Amendment	Reason
1	A5	Insertion of a validity check formula.	Ensure that funding and expenditure balances.
2	A6	Insertion of a validity check formula.	Ensure that net assets and total community wealth balances.
3	A7	Insertion of receipts from property rates and service charges line items. Insertion of formulae linking A7 to SA30 for the MTREF.	Simplification of data gathering for determining the collection rate from main services.
4	A10	Insertion of new footnote.	Improve reporting of services provided including informal settlements.

Annexure B – Previous MFMA Circulars

Budget management issues dealt with in previous MFMA Circulars

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54, 55, 66, 67 and 70 with regards to the following issues:

1. Mayor's discretionary funds and similar discretionary budget allocation – National Treasury regards allocations that are not designated for a specific purpose to be bad practice and discourage them (refer to MFMA Circular 51).
2. Unallocated ward allocations – National Treasury does not regard this to be a good practice, because it means that the tabled budget does not reflect which ward projects are planned for purposes of public consultation and council approval (refer to MFMA Circular 51).
3. New office buildings – Municipalities are required to send detailed information to National Treasury if they are contemplating building new main office buildings (refer to MFMA Circular 51).
4. Virement policies of municipalities – Municipalities are reminded of the principles that must be incorporated into municipal virements policies (refer to MFMA Circular 51).
5. Providing clean water and managing waste water – Municipalities were reminded to include a section on 'Drinking water quality and waste water management' in their budget document (refer to MFMA Circular 54).
6. Renewal and repairs and maintenance of existing assets – Allocations to repairs and maintenance, and the renewal of existing infrastructure must be prioritised. Municipalities must provide detailed motivations in their budget documentation if allocations do not meet the required benchmarks set out in MFMA Circular 55 and 66.
7. Credit cards and debit cards linked to municipal bank accounts are not permitted – On 02 August 2011 National Treasury issued a directive to all banks informing them that as from 01 September 2011 they are not allowed to issue credit cards or debit cards linked to municipal bank accounts (refer to MFMA Circular 55).
8. Water and sanitation tariffs must be cost reflective - refer to MFMA Circular 66.
9. Solid waste tariffs – refer to MFMA Circular 70.
10. Variances between 4th Quarter section 71 results and annual financial statements – refer to Circular 67.
11. Additional In-Year reporting requirements – refer to MFMA Circular 67.
12. Appropriation statement (reconciliation: budget and in-year performance)- reference is made to circular 67. It came to the attention of National Treasury that a number of municipalities did not include the appropriation statement as part of their 2012/13 or 2013/14 annual financial statement. In terms of the Standards of GRAP 24 on the Presentation of Budget Information in Financial Statements, municipalities are required to present their original and adjusted budgets against actual outcome in the annual financial statements. This is considered an appropriation statement and the comparison between the budget and actual performance should be a mirror image of each other as it relates to the classification and grouping of revenue and expenditure as has been the case in a national and provincial context. This statement is subject to auditing and accordingly supporting documentation would be required to substantiate the compilation of this statement.
13. Eliminating non-priority spending – The 2013 MTBPS emphasised the need for government to step-up its efforts to combat waste, inefficiency and corruption (refer to MFMA circular 70).
14. Council oversight over the budget process – refer to MFMA Circular 70.



Conditional grant issues dealt with in previous MFMA Circulars

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54, 55 and 67 with regards to the following issues:

1. Accounting treatment of conditional grants: Municipalities are reminded that in accordance with accrual accounting principles, conditional grants should only be treated as 'transfers recognized' revenue when the grant revenue has been 'earned' by incurring expenditure in accordance with the conditions of the grant.
2. VAT on conditional grants: SARS has issued a specific guide to assist municipalities meeting their VAT obligations – VAT 419 Guide for Municipalities. To assist municipalities accessing this guide it has been placed on the National Treasury website at: <http://mfma.treasury.gov.za/Guidelines/Pages/default.aspx>
3. Interest received and reclaimed VAT in respect of conditional grants: Municipalities are reminded that in MFMA Circular 48, National Treasury determined that:
 - Interest received on conditional grant funds must be treated as 'own revenue' and its use by the municipality is not subject to any special conditions; and
 - 'Reclaimed VAT' in respect of conditional grant expenditures must be treated as 'own revenue' and its use by the municipality is not subject to any special conditions.
4. Appropriation of conditional grants that are rolled over – As soon as a municipality receives written approval from National Treasury that its unspent conditional grants have been rolled-over it may proceed to spend such funds (refer to MFMA Circular 51 for other arrangements in this regard).
5. Pledging of conditional grant transfers – the 2015 Division of Revenue Bill contained a provision that allows municipalities to pledge their conditional grants. The end date for the pledges is extended to 2017/18. The process of application as set out in MFMA Circular 51 remains unchanged.
6. Separate reporting for conditional grant roll-overs – National Treasury has put in place a separate template for municipalities to report on the spending of conditional grant roll-overs. Municipalities are reminded that conditional grant funds can only be rolled-over once, so if they remain unspent in the year in which they were rolled-over they MUST revert to the National Revenue Fund.
7. Payment schedule – National Treasury has instituted an automated payment system of transfers to municipalities in order to ensure appropriate safety checks are put in place. Only the primary banking details verified by National Treasury will be used for effecting transfers.
8. Conditional grant transfers/payments, the responsibilities of transferring and receiving authorities and the criteria for the rollover of conditional grants – It is important that the transfers made to municipalities' are transparent, and properly captured in the municipalities' budgets. MFMA Circular no: 67 in this regard refers. The criterion for the rollover of conditional grants is stipulated in MFMA Circular no: 51.

MBRR issues dealt with in previous MFMA Circulars

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54, 55 with regards to the following issues:

1. Budgeting for revenue and 'revenue foregone' – The 'realistically anticipated revenues to be collected' that must be reflected on the Budgeted Statement of Financial Performance (Tables A2, A3 and A4) must exclude 'revenue foregone'. The definition

of 'revenue foregone' and how it is distinguished from 'transfers and grants' is explained in MFMA Circular 51.

2. Preparing and amending budget related policies – Information on all budget related policies and any amendments to such policies must be included in the municipality's annual budget document (refer to MFMA Circular 54).
3. 2013/14 MTREF Funding Compliance Assessment – All municipalities were required to perform the funding compliance assessment outlined in *MFMA Funding Compliance Guideline* and to include the relevant information outlined in MFMA Circular 55 in their 2015/16 budgets (refer to MFMA Circular 55).





Municipal Budget Circular for the 2015/16 MTREF

This circular provides further guidance to municipalities and municipal entities for the preparation of their 2015/16 Budgets and Medium Term Revenue and Expenditure Framework (MTREF) relating to the likelihood of further increases to the bulk price of electricity.

CONTENTS

1. BUDGETING FOR BULK ELECTRICITY PRICE INCREASES.....2

1. Budgeting for bulk electricity price increases

In terms of section 42(4) of the Municipal Finance Management Act (MFMA), the executive authority for an organ of state responsible for the provision of water, electricity or other bulk services to a municipality is required to table the amendments to its pricing structure in Parliament by 15 March annually for any increases to take effect from 1 July of that year. In the case of bulk electricity provided by Eskom the Minister of Public Enterprises is responsible for tabling these increases. Section 42(5) provides that the Minister of Finance may grant approval that the executive authority tables amendments to the pricing structure in Parliament after 15 March that can still take effect from 1 July of that year.

The Minister of Finance received requests in terms of section 42(5) of the MFMA to extend the deadline to provide adequate time for the National Energy Regulator of South Africa (NERSA) to review Eskom's applications with regard to the selective re-opener for MYPD3 and liquidation of its equity returns. The Minister of Finance approved that this deadline be extended to 15 May 2015 so as to ensure that municipalities are still able to table their budgets in the respective municipal councils by 31 May 2015 as per the requirements of the MFMA.

Should NERSA approve a further increase to Eskom's pricing structure, the implication will be that the municipal electricity guidelines already published by NERSA will have to be adjusted to account for the increase in Eskom's amended pricing structure. It is expected that any further increase to Eskom's bulk price that are approved by NERSA will be added to the 12.20 per cent bulk tariff increase for 2015/16 already approved. Municipalities will be advised of NERSA's determination in this regard as soon as available.

Consideration is also being given as to whether the 2 cent per kilowatt hour increase in the electricity levy that was announced by the Minister of Finance in his 2015 Budget Speech will also be implemented from 1 July 2015. An announcement in this regard will be made shortly and municipalities should be prepared to also take this into account in the costing of their bulk electricity purchases.

If any further increase to the bulk electricity tariff for 2015/16 is approved by NERSA, municipalities should make corresponding adjustments to their municipal electricity tariff structures as part of their budgets for the 2015/16 MTREF. **The budgets tabled in municipal councils by 31 May 2015 (as required by the MFMA) must fully account for the final bulk price increases approved by NERSA and be incorporated into electricity tariff structures.** Provision for free basic electricity to poor households should be protected in the municipal budget as part of electricity tariff structuring.

National Treasury acknowledges the difficulties that these late changes to the bulk price of electricity will create for municipalities as they finalise their budgets. Consideration of such late changes is part of the extraordinary measures government is taking to stabilise the future supply of electricity in South Africa. As such, while these measures may cause difficulties in the short-term they are in all of our long-term interest.



For any further advice or guidance on compiling your budget, please contact the budget analyst in your provincial treasury or National Treasury responsible for assisting your municipality.

Contact



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Chief Director: Local Government Budget Analysis
17 April 2015





Uniform Financial Ratios and Norms

The purpose of this Circular is to provide a set of uniform key financial ratios and norms suitable and applicable to municipalities and municipal entities. Section 216 (1)(c) of the Constitution and section 2 of the Municipal Finance Management Act (MFMA) enable National Treasury to introduce uniform treasury norms and standards to ensure sound and sustainable management of fiscal and financial affairs of municipalities and municipal entities.

A number of institutions currently use a variety of financial ratios and norms to assess and compare the financial health and performance of municipalities. Municipalities also use different financial ratios and norms to assess their own performance and set benchmarks for improvement to be measured over time. Results of our research show that there are in excess of two hundred different sets of financial ratios, with different derivatives used to assess municipality's financial status. This results in conflicting interpretation, inconsistent application and misunderstanding of the financial status of a municipality, often with incorrect diagnosis of the challenges and therefore inappropriate responses.

This Circular aims to bring consistency in interpretation and application of certain financial information using standardised financial ratios. It is important that any one of these ratios should not be read in isolation of one another, as this could lead to distortions in interpretation. Ideally, a number of interrelated ratios should be analysed together in order to get a broader picture of a municipality's or municipal entity's financial performance. When used in a combined manner analysis of different ratios will provide policy makers and the public with a very good sense of the financial status of the municipality and its entity. This Circular will also assist in municipalities being able to identify areas of financial management that need constant monitoring and improvement.

The Circular addresses different categories of ratios norms, interpretation and covers various aspects of a municipality's finances, such as financial position, financial performance and budget implementation, so that these can be used as part of in-year and end of year analysis. This will also aid in long-term financial planning and can be used to track progress over a number of years. Each ratio is explained to remove ambiguity and misinterpretation. The source of such information is also explained in the annexures to this Circular. Norms or standards have been assigned to each financial ratio, which are explained later in this Circular.

Categorisation Financial Ratios, Formulas, Norms and Interpretation

Categorisation

In order to perform a holistic financial analysis of a municipality or municipal entity all financial aspects of the institution should be considered. Ratios are divided into various



- 1) Financial Position
- 2) Financial Performance
- 3) Budget Implementation

The ratios presented in this Circular are categorised in accordance with the previous section, and are presented in further detail to include the following:

- Tables that provide a summary of the financial ratios, formulas, data source and norms are presented in Annexure 1.

A. Asset Management

Purpose/Description of the Ratio

This Ratio is used to assess the level of Capital Expenditure to Total Expenditure, which indicates the prioritisation of expenditure towards current operations *versus* future capacity in terms of Municipal Services.

$$\text{Total Capital Expenditure} / \text{Total Expenditure (Total Operating Expenditure + Capital Expenditure)} \times 100$$

The norm range between 10% and 20%

When assessing the level of investment in Assets, a ratio less than 10% reflects lower spending by the municipality in infrastructure and holds potential risks to service delivery. A ratio of more than 20% reflects higher spending on infrastructure and acceleration in service delivery, but could also hold financial sustainability risks if the infrastructure do not include both economic (revenue generating) and social type infrastructure.

On the other hand a municipality where the infrastructure and level of services provided is low and the associated expenditure is also low, the percentage of investment in new assets to total expenditure would be significantly higher.

It is critical that capital expenditure is largely directed toward service delivery infrastructure and not administrative assets.

Purpose/ Description of the Ratio

This implies that the utilisation of assets did not deliver the value or service levels envisaged when approval was originally obtained for procuring the assets. When the approval is obtained to invest in Property, Plant and Equipment or Intangible Assets by the Municipality or Municipal Entity, the value should be realised through utilisation and reflected as Depreciation and not through unexpected losses due the Impairment of Property, Plant and Equipment or Intangible Assets. Impairment is therefore unexpected and only detected when the assessment for Impairment is performed as per the requirements of the applicable GRAP standards. It is therefore not planned for or expected and will not be budgeted.

Formula

Property, Plant and Equipment + Investment Property + Intangible Assets
Impairment/ (Total Property, Plant and Equipment + Investment Property + Intangible
Assets) x 100

Norm

The norm is 0%

Interpretation of Results

The purpose of the Ratio is to indicate the percentage of Impairments compared to the Carrying Value of the Assets; a ratio above 0% reflects a risk in service delivery and therefore corrective measures should be implemented.

3. Repairs and Maintenance as a % of Property, Plants and Equipment and Investment Property (Carrying Value)

Purpose/ Use of the Ratio

The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to prevent breakdowns and interruptions to service delivery. Repairs and maintenance of municipal assets is required to ensure the continued provision of services.

Formula

Total Repairs and Maintenance Expenditure / Property, Plant and Equipment and Investment Property (Carrying Value) x 100

Norm

The norm is 8%

Interpretation of Results

A ratio below the norm is a reflection that insufficient monies are being spent on repairs and maintenance to the extent that it could increase impairment of useful assets.

An increasing expenditure trend may be indicative of high asset-usage levels, which can prematurely require advanced levels of Repairs and Maintenance or a need for Asset Renewal / Replacements. Also, should an increasing expenditure trend suddenly drop to lower levels without an increase in the fixed asset value, this may be indicative of challenges in spending patterns. This may also indicate that the Municipality is experiencing cash flow problems and therefore unable to spend at

appropriate levels on its repairs to existing assets or purchase of new assets thus impacting negatively on service delivery.

B. Debtors Management

1. Collection Rate

Purpose/ Use of the Ratio

The Ratio indicates the collection rate; *i.e.* level of payments. It measures increases or decreases in Debtors relative to annual billed revenue. In addition, in order to determine the real collection rate bad debts written-off is taken into consideration.

Formula

Gross Debtors Opening Balance + Billed Revenue – Gross Debtors Closing Balance -
Bad Debts Written Off) / Billed Revenue x 100

Norm

The norm is 95%

Interpretation of Results

Assessing the Collection Ratio will provide an indication of the performance against a number of areas, for example:

- Quality of Credit Control - ensuring that what is billed is collected; and
- Quality of Revenue Management - the ability to set affordable tariffs and bill correctly.

If the ratio is below the norm this is an indication that revenue collection of the municipality requires urgent attention and corrective measures should be implemented. A municipality with outstanding debtors should aim at achieving a collection rate of more than 100%. The results from this ratio should be viewed along with results from the age analysis and net debtor's day's ratio.

2. Bad Debts Written-off as % of the Bad Debt Provision

Purpose/ Use of the Ratio

The Ratio compares the value of Bad Debts Written-off on Consumer Debtors to Bad Debts Provided for Consumer Debtors to ensure that the Provision for Bad Debts is sufficient.

Formula

Bad Debts Written-off (Period under review)/ Provision for Bad Debt (Period under review x 100

Norm

The norm is 100%

Interpretation of Results

Municipality should only write-off Bad Debts already provided for and, if the results are less than 100%, it should be ideally due to the recoverability of debtors. When 100% is exceeded, it indicates that the Municipality had not previously identified the Debtor/s as having the potential for defaults, which could indicate weakness in calculation of the Provision for Bad Debt, the methodology used and/or poor credit control processes.

3. Net Debtors Days**Purpose/ Use of the Ratio**

This ratio reflects the collection period. Net Debtor Days refers to the average number of days required for a Municipality or Municipal Entity to receive payment from its Consumers for bills/invoices issued to them for services.

The Ratio exclude balances for Debtors, which the Municipality or Municipal Entity has assessed as potentially irrecoverable, and is also a good indication of the effectiveness of credit control procedures within the Municipality or Municipal Entity as well as the extent to which the Municipality or Municipal Entity has provided for Doubtful Debts.

Formula

((Gross Debtors - Bad Debt Provision) / Billed Revenue)) × 365

Norm

The norm is 30 Days

Interpretation of Results

This Ratio adjusts for Municipality's who have had significant write-offs of Irrecoverable Debtor balances in the Gross Debtors Days analysis as it only assesses the performance of collectable Debtors. In addition, it provides an indication of the quality of credit control policy, effectiveness of the implementation thereof and quality of revenue management. If the ratio is above the norm, this indicates that the Municipality is exposed to significant Cash Flow risk. This is also an indication that the municipality is experiencing challenges in the collection of outstanding amounts due to it. In addition,

this indicates that a significant amount of potential cash is tied up in consumer debtors and the municipality must improve its revenue and cash flow management.

C. Liquidity Management

1. Cash/ Cost Coverage Ratio (Excluding Unspent Conditional Grants)

Purpose/ Use of the Ratio

The Ratio indicates the Municipality's or Municipal Entity's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.

The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal Municipal day-to-day operational expenditure but rather reserved for Grant related expenditure.

Formula

$$\frac{((\text{Cash and Cash Equivalents} - \text{Unspent Conditional Grants} - \text{Overdraft}) + \text{Short Term Investment})}{\text{Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)}}$$

Norm

The norm range between **1 month to 3 months**.

Interpretation of Results

If a municipality has a ratio below the norm it would be vulnerable and at a higher risk in the event of financial "shocks/set-backs" and its ability to meet its obligations to provide basic services or its financial commitment is compromised. The results from this ratio should be viewed along with results from analysis on Debtor Management to fully assess Cash Flow Risk. The more cash reserves a municipality or municipal entity has available the lower the risk of it being unable to fund monthly fixed operational expenditure and to continue rendering services.

2. Current Ratio

Purpose/ Use of the Ratio

The Ratio is used to assess the Municipality's or Municipal Entity's ability to pay back its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables).



Formula

Current Assets / Current Liabilities

Norm

The norm range between 1.5 to 2 :1

Interpretation of Results

The higher the current Ratio, the more capable the Municipality or Municipal Entity will be to pay its current or short-term obligations and provide for a risk cover to enable it to continue operations at desired levels. A financial ratio under 1 suggests that the Municipality or Municipal Entity would be unable to pay all its current or short-term obligations if they fall due at any specific point.

If current liabilities exceed current assets, it highlights serious financial challenges and likely liquidity problems *i.e.* insufficient cash to meet short-term financial obligations. Current assets must therefore be increased to appropriately cover current liabilities otherwise there is a risk that non-current assets will need to be liquidated to settle current liabilities.

D. Liability Management**1. Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure****Purpose/ Use of the Ratio**

The Ratio indicates the cost required to service the borrowing. It assesses the Borrowing or Payment obligation expressed as a percentage of Total Operating Expenditure.

Formula

Capital Cost (Interest Paid and Redemption) / Total Operating Expenditure x 100

Norm

The norm is between 6% to 8%

Interpretation of Results

Operating below the Norm could indicate that the Municipality has the capacity to take on additional financing from borrowing to invest in infrastructure projects or it could relate to cash flow problems where it is unable to access borrowed funds or the funding decisions of the municipality impacts of these levels. On the other hand, exceeding the Norm could pose a risk to the Municipality should changes or fluctuations in financing costs arise.

When assessing this ratio, the cash flow requirements of the Municipality or Municipal Entity should also be considered.

2. Debt (Total Borrowings)/ Total Operating Revenue

Purpose/ Use of the Ratio

The Ratio indicates the extent of Total Borrowings in relation to Total Operating Revenue. It indicates short and long term debt financing relative to operating revenue of the municipality.

The purpose of the Ratio is to provide assurance that sufficient Revenue will be generated to repay Liabilities. Alternatively stated, the Ratio indicates the affordability of the Total Borrowings.

Formula

Debt (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant

Norm

The norm is 45%

Interpretation of Results

If the result of the Ratio analysis indicates less than 45% then the Municipality still has capacity to take increase funding from borrowings, however, this should be considered within the cash flow requirements of the Municipality or Municipal Entity.

E. Sustainability

1. Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)

Purpose/ Use of the Ratio

The Ratio measures the extent to which the Other Reserves, which are required to be cash backed are actually backed by Cash Reserves.

Formula

(Cash and Cash Equivalents - Bank Overdraft + Short Term Investment + Long Term Investment - Unspent Conditional Grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest - Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve)



Norm

The norm is 100%

Interpretation of Results

If a Municipality or Municipal Entity has less than 100% Cash Reserves it could negatively impact the Municipality's or Municipal Entity ability to comply with the conditions for creating the Reserves and on its ability to fund current and future operations.

2. FINANCIAL PERFORMANCE**A. Efficiency****1. Net Operating Surplus Margin****Purpose/ Use of the Ratio**

The Ratio assesses the extent to which the Municipality generates Operating Surpluses.

Formula

$$\frac{(\text{Total Operating Revenue} - \text{Total Operating Expenditure})}{\text{Total Operating Revenue}} \times 100\%$$

Norm

The norm is equal to or greater than 0%

Interpretation of Results

Municipalities should at least recover operational costs for the services being delivered. In addition, a ratio which is greater than 0% will enable the municipality to generate a surplus which will assist to contribute towards its capital funding requirements. If the result is less than 0% it implies that the municipality is operating at a deficit and measures must be implemented to address this situation to ensure sustainable service delivery. In a case of an operating deficit it is critical to ascertain the extent to which the accounting policy, i.e. revaluation method has impacted on the calculations to avoid any distortions in interpretation of the outcome. Refer to Circular 58 section 4.3 regarding revaluation in terms of GRAP 17 and treatment of depreciation and GRAP 24.

2. Net Surplus /Deficit Electricity**Purpose/ Use of the Ratio**

This ratio measures the extent to which the municipality generates surplus or deficit in rendering electricity service. The purpose of the Ratio is to determine the contribution

made by the provision of Electricity Services, being one of the major functions of a municipality.

Formula

Total Electricity Revenue less Total Electricity Expenditure / Total Electricity Revenue x 100%

Norm

The Norm range between 0% and 15%

It should be noted that this norm will be superseded by sector determinations from time to time, as other regulatory bodies address the appropriate level of tariffs and surpluses.

Interpretation of Results

A ratio below 0% depicts that electricity service is rendered at a deficit/loss and will be unsustainable if other revenue is not allocated to fund such services. The results must be between the range to ensure services are sustainable and that all costs associated with the delivery of Electricity Services are at least recovered with a margin for future growth and/ or capital funding for electricity assets.

3. Net Surplus / Deficit Water

Purpose/ Use of the Ratio

This ratio measures the extent to which the municipality generates surplus or deficit in rendering water service. The purpose of the Ratio is to determine the contribution made by the provision of water service being one of the major functions of a municipality.

Formula

Total Water Revenue less Total Water Expenditure / Total Water Revenue x 100%

Norm

The norm is equal to or greater than 0% and will be superseded by the sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation.

Interpretation of Results

A ratio below 0% depicts that water service is rendered at a loss and unsustainable. The results must not be below the norm so as to ensure that the Services are sustainable and that all costs associated with the delivery of Water Services are at least recovered with a margin for future growth and/ or capital funding for water assets.



4. Net Surplus / Deficit Refuse

Purpose/ Use of the Ratio

This ratio measures the extent to which the municipality generates surplus or deficit in rendering refuse service. The purpose of the Ratio is to determine the contribution made by the provision of refuse service being one of the major functions of a municipality.

Formula

Total Refuse Revenue less Total Refuse Expenditure / Total Refuse Revenue x 100%

Norm

The Norm is equal to or greater than 0% and will be superseded by the Sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation.

Interpretation of Results

A ratio below 0% depicts that refuse service is rendered at a loss and unsustainable. The results must not be below the norm so as to ensure that the Services are sustainable and that all costs associated with the delivery of Refuse Services are at least recovered with a margin for future growth and/ or capital funding for Refuse assets.

5. Net Surplus / Deficit Sanitation and Waste Water

Purpose/ Use of the Ratio

This ratio measures the extent to which the municipality generates surplus or deficit in rendering sanitation and waste water service. The purpose of the Ratio is to determine the contribution made by the provision of sanitation and waste water services being one of the major functions of a municipality.

Formula

Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure / Total Sanitation and Waste Water Revenue x 100%

Norm

The norm is equal to or greater than 0% and will be superseded by the sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation.



Interpretation of Results

A ratio below 0% depicts that sanitation and waste water is rendered at a loss and unsustainable. The results must not be below the norm so as to ensure that the Services are sustainable and that all costs associated with the delivery of sanitation and waste water are at least recovered with a margin for future growth and / or capital funding for assets.

B. Distribution Losses**1. Electricity Distribution Losses (Percentage)***Purpose/ Use of the Ratio*

The purpose is to measure the percentage loss of potential revenue from Electricity Services through electricity units purchased and generated but not sold as a result of losses incurred through theft (illegal connections), non or inaccurate metering or wastage. It is expected that implementation of the free basic service policy is included in the calculation for sale of electricity.

Formula

$$\frac{(\text{Number of Electricity Units Purchased and / or Generated} - \text{Number of Electricity Units Sold})}{\text{Number of Electricity Units Purchased and / or Generated}} \times 100$$

Norm

The Norm is between 7% and 10% and will be superseded by the sector determination.

Interpretation of Results

A ratio below the norm depicts that electricity losses are well managed. If the Ratio exceeds the norm it could indicate various challenges, for example, deteriorating electricity infrastructure or poor management of the networks, affecting the Municipality or Municipal Entity, which would require further analysis to determine the reasons for such losses. In addition, the root causes should be addressed.

2. Water Distribution Losses (Percentage)*Purpose/ Use of the Ratio*

The purpose of this ratio is to determine the percentage loss of potential revenue from water service through kilolitres of water purchased but not sold as a result of losses incurred through theft (illegal connections), non- or incorrect metering or wastage as a result of deteriorating water infrastructure. It is expected that implementation of the free basic service policy is included in the calculation for sale of water.

Formula

$$\frac{(\text{Number of Kiloliters Water Purchased or Purified} - \text{Number of Kilolitres Water Sold})}{\text{Number of Kiloliters Water Purchased or Purified}} \times 100$$

Norm

The Norm is between 15% and 30%

Interpretation of Results

A ratio within the norm depicts that water losses and water infrastructure are well managed. If the Ratio exceeds the norm it could indicate various challenges, for example, ageing water infrastructure or poor management, affecting the Municipality or Municipal Entity, which would require further analysis and explanation to determine the reasons for such losses. In addition, the root causes should be addressed.

C. Revenue Management**1. Growth in Number of Active Consumer Accounts****Purpose/ Use of the Ratio**

The ratio measures the actual growth in the Revenue base of the Municipality brought about by an increase in the Consumer base rather than tariff increases.

Formula

$$\frac{(\text{Period under Review's Number of Active Debtor Accounts} - \text{Previous Period's Number of Active Debtor Accounts})}{\text{Previous Period Number of Active Debtor Accounts}} \times 100$$

Norm

No Norm is currently being proposed for this Ratio but will be monitored and a determined in the future. Municipalities are requested to report on this aspect to its Council.

Interpretation of Results

The results from this analysis will have to be taken into consideration when assessing the Growth in Revenue to determine the Real Growth in the Customer base vs growth due to tariff and inflationary adjustments. Growth in number of active consumers indicates an increase in revenue base.

Further, the impact of growth on the Indigent Base vs Growth in Paying Consumers should be assessed regularly as this must be used to inform Councils policy.

Purpose/ Use of the Ratio

Formula

Norm

Interpretation of Results

3. Revenue Growth (%) - Excluding Capital Grants

Purpose/Use of the Ratio

Formula

Norm

Interpretation of Results

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D. Expenditure Management**1. Creditors Payment Period (Trade Creditors)****Purpose/ Use of the Ratio**

This ratio indicates the average number of days taken for Trade Creditors to be paid.

Formula

Trade Creditors Outstanding / Credit Purchases (Operating and Capital) × 365

Norm

The norm is 30 days

Interpretation of Results

A period of longer than 30 days to settle creditors is normally an indication that the Municipality may be experiencing cash flow problems, however in certain instances this may be as a result of disputes, processing of payments, etc. In addition, a ratio that exceeds the norm indicates that the Municipality may not be adequately managing its Working Capital or that effective controls are not in place to ensure prompt payments. The municipality will be required to provide further explanations in this regard.

2. Irregular, Fruitless and Wasteful and Unauthorised Expenditure/ Total Operating Expenditure**Purpose/ Use of the Ratio**

The ratio measures the extent to which the Municipality has incurred Irregular, Fruitless and Wasteful and Unauthorised Expenditure.

Formula

(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure × 100

The net amount after condonement should be used in this calculation.

Norm

The norm is 0%

Interpretation of Results

A ratio that exceeds 0% must be investigated and acted upon.



3. Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure

Purpose/ Use of the Ratio

The ratio measures the extent of Remuneration to Total Operating Expenditure.

Formula

Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x 100

Norm

The norm range between 25% and 40%

Interpretation of Results

If the ratio exceed the norm it could indicate inefficiencies, overstaffing or even the incorrect focus due to misdirected expenditure to non-essentials or non-service delivery related expenditure. Various factors need to be considered when commenting on this ratio, such as the powers and functions performed by the municipality or entity, as this can create distortions in the outcomes, if the analysis ignores such factors.

4. Contracted Services % of Total Operating Expenditure

Purpose/ Use of the Ratio

This ratio measures the extent to which the municipalities resources are committed towards contracted services to perform Municipal related functions.

Formula

Contracted Services / Total Operating Expenditure x 100

Norm

The norm range between 2% and 5%

Interpretation of Results

A ratio in excess of the Norm could indicate that many functions are being outsourced to Consultants, or that Contracted Services are not effectively utilised. This also depends on the model of service delivery selected by the municipality. In addition, outsourcing decisions will have to be weighed against the ability to attract skills; however, increases in this ratio can further expose the municipality to other risks, such as its inability to build capacity and ongoing reliance on Contractors.

E. Grant Dependency**1. Own Funded Capital Expenditure (Internally Generated Funds + Borrowings) to Total Capital Expenditure****Purpose/ Use of the Ratio**

The Ratio measures the extent to which the municipality's Total Capital Expenditure is funded through Internally Generated Funds and Borrowings.

Formula

Own Funded Capital Expenditure (Internally Generated Funds + Borrowings) / Total Capital Expenditure x 100

Norm

No norm is proposed at this time. It is critical that the funding mix of capital expenditure is undertaken in such a manner that affordable borrowing is directed towards addressing service delivery needs and that there is also opportunity for increased capacity on internally generated funding to attain an improved balance of the funding sources.

2. Own Funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure**Purpose/ Use of the Ratio**

The Ratio measures the extent to which Total Capital Expenditure of the Municipality is funded through Internally Generated Funds.

Formula

Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100

Norm

No norm is proposed at this time. The funding mix for capital expenditure is dependent on the municipal policy and ability to raise revenue from different sources. Increased capacity for internally generated funding is required in some circumstances, which could also improve the balance in funding sources.

3. Own Source Revenue to Total Operating Revenue (Including Agency Revenue)**Purpose/ Use of the Ratio**

The Ratio assesses the extent of Own Source Revenue to Total Operating Revenue, including Agency Revenue hence self-sufficiency.



Formula

Own Source Revenue (Total Revenue - Government Grants and Subsidies – Public Contribution and Donations)/ Total Operating Revenue (Including Agency Services) x 100

Norm

No norm is proposed at this time. The municipal specific circumstances, including the powers and functions assigned to it, must be considered when assessing the level of own source revenue or its self-sufficiency. An analysis of the trends and levels of own source of revenue will also inform the municipality and users of measures taken to optimise own revenues. The ratio measuring own source revenue should be increasing over time as it reflects municipal efforts towards self-sufficiency.

3. BUDGET IMPLEMENTATION**1. Capital Expenditure Budget Implementation Indicator****Purpose/ Use of the Ratio**

This ratio measures the extent to which Budgeted Capital Expenditure has been spent during the financial year, under review. Further, this ratio measures the municipality's ability to implement capital projects and monitor the risks associated with non-implementation. The ratio also assess whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with an approved budget.

Formula

Actual Capital Expenditure / Budget Capital Expenditure x 100

Norm

The norm range between **95% and 100%**

Interpretation of Results

This can be used in-year to monitor progress. Any variance below 95% indicates discrepancies in planning and budgeting, capacity challenges to implement projects and/or Supply Chain Management process failures, which should be investigated and corrective measures implemented.

Under-spending is also an indicator that the Municipality might be experiencing possible cash flow difficulties to implement projects. Ideally, under-spending should be the result of improved efficiencies and not as a result of non-implementation of programmes and/or projects.

Overspending may also indicate inaccurate budgeting or poor financial management control.

2. Operating Expenditure Budget Implementation Indicator

Purpose/ Use of the Ratio

This ratio measures the extent to which Budgeted Operating Expenditure has been spent during the financial year, under review. The ratio also assess whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with an approved budget.

Formula

Actual Operating Expenditure / Budgeted Operating Expenditure x 100

Norm

The norm range between **95% and 100%**

Interpretation of Results

Any variance from 100% indicates either challenge in capacity to implement, issues of financial controls and management and/or poor budgeting.

Under-spending normally is an indicator that the Municipality experiences possible Cash Flow difficulties or capacity challenges to undertake Budgeted/ planned service delivery, and/ or does not prepare accurate and credible Budgets. Ideally, under-spending should be the result of improved efficiencies and not as a result of non-implementation of programmes and/or projects.

Overspending may also indicate inaccurate budgeting or poor financial management control in respect of budget control.

3. Operating Revenue Budget Implementation Indicator

Purpose/ Use of the Ratio

This ratio measures the extent of Actual Operating Revenue (Excl. Capital Grant Revenue) received in relation to Budgeted Operating Revenue during the financial year, under review.

Formula

Actual Operating Revenue / Budgeted Operating Revenue x 100